



Drug Enforcement Administration

NDTA

National Drug Threat Assessment 2024

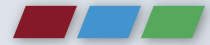


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It is my privilege to present the 2024 National Drug Threat Assessment (NDTA), a comprehensive strategic assessment of illicit drug threats endangering the United States. The NDTA is an intelligence assessment produced by the Drug Enforcement Administration's (DEA) Intelligence Program.

DEA's goal in publishing the NDTA is to save American lives by raising awareness and understanding of these threats.

This annual assessment provides law enforcement agencies, policy makers, and prevention and treatment specialists with essential intelligence to assist in establishing law enforcement priorities, formulating counterdrug policies, and allocating resources. The NDTA also serves as a critical tool for informing and educating the public about the current drug threats.

The 2024 NDTA highlights the dangerous shift from plant-based drugs to synthetic drugs. This shift has resulted in the most dangerous and deadly drug crisis the United States has ever faced. These synthetic drugs, such as fentanyl and methamphetamine, are responsible for nearly all of the fatal drug poisonings in our nation.

The Sinaloa and Jalisco Cartels are at the heart of this crisis. These two Cartels are global criminal enterprises that have developed global supply chain networks. They rely on chemical companies and pill press companies in China to supply the precursor chemicals and pill presses needed to manufacture the drugs. They operate clandestine labs in Mexico where they manufacture these drugs, and then utilize their vast distribution networks to transport the drugs into the United States. They rely on associates in the United States to distribute the drugs at a retail level on the streets and on social media. Finally, the Cartels utilize Chinese Money Laundering Organizations to move their profits from the United States back to Mexico. Drug trafficking organizations based in Mexico and South America are increasingly utilizing China based underground banking systems as their primary money laundering mechanism.

In response to these threats, the DEA has acted urgently to target the criminal networks responsible for the influx of synthetic drugs into the United States. Our efforts include launching three Counterthreat Teams to execute a network-focused operational strategy. DEA's efforts also include enforcement operations such as Operation Overdrive, which targets violent individuals in our communities, and Operation OD Justice, which partners with local law enforcement to investigate fatal drug poisonings.

As the lead law enforcement agency in the Administration's whole-of-government response to defeat the Cartels and combat the drug poisoning epidemic in our communities, DEA will continue to collaborate on strategic counterdrug initiatives with our law enforcement partners across the United States and the world.

DEA will never stop working to protect our public safety, health, and national security.

Sincerely,

Anne Milgram
Administrator



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EXECUTIVE SUMMARY

Fentanyl¹ is the deadliest drug threat the United States has ever faced, killing nearly 38,000 Americans in the first six months of 2023 alone. Fentanyl and other synthetic drugs, like methamphetamine, are responsible for nearly all of the fatal drug overdoses and poisonings in our country.² In pill form, fentanyl is made to resemble a genuine prescription drug tablet, with potentially fatal outcomes for users who take a pill from someone other than a doctor or pharmacist. Users of other illegal drugs risk taking already dangerous drugs like cocaine, heroin, or methamphetamine laced or replaced with powder fentanyl. Synthetic drugs have transformed not only the drug landscape in the United States, with deadly consequences to public health and safety; synthetic drugs have also transformed the criminal landscape in the United States, as the drug cartels who make these drugs reap huge profits from their sale.

Mexican cartels profit by producing synthetic drugs, such as fentanyl (a synthetic opioid) and methamphetamine (a synthetic stimulant), that are not subject to the same production challenges as traditional plant-based drugs like cocaine and heroin – such as weather, crop cycles, or government eradication efforts. Synthetic drugs pose an increasing threat to U.S. communities because they can be made anywhere, at any time, given the required chemicals and equipment and basic know-how. Health officials, regulators, and law enforcement are constantly challenged to quickly identify and act against the fentanyl threat, and the threat of new synthetic drugs appearing on the market. The deadly reach of the Mexican Sinaloa and Jalisco cartels into U.S. communities is extended by the wholesale-level traffickers and street dealers bringing the cartels' drugs to market, sometimes creating their own deadly drug mixtures, and exploiting social media and messaging applications to advertise and sell to customers.

The Sinaloa Cartel and the Cartel Jalisco Nueva Generación (also known as CJNG or the Jalisco Cartel) are the main criminal organizations in Mexico, and the most dangerous. They control clandestine drug production sites and transportation routes inside Mexico and smuggling corridors into the United States and maintain large network “hubs” in U.S. cities along the Southwest Border and other key locations across the United States. The Sinaloa and Jalisco cartels are called “transnational criminal organizations” because they are not just drug manufacturers and traffickers; they are organized crime groups, involved in arms trafficking, money laundering, migrant smuggling, sex trafficking, bribery, extortion, and a host of other crimes – and have a global reach extending into strategic transportation zones and profitable drug markets in Europe, Africa, Asia, and Oceania.

¹ This and other uses of “fentanyl” and “illicit fentanyl” throughout this report refer strictly to the fentanyl manufactured by criminal organizations, and not to the pharmaceutical fentanyl used in clinical settings or prescribed by a doctor.

² According to the Centers for Disease Control and Prevention (CDC), synthetic opioids were involved in 74,225 deaths in 2022 – 68 percent of the total 111,036 deaths that year – and psychostimulants, the class of drugs that includes methamphetamine, were involved in 31 percent of the overall deaths. Provisional CDC data for January-June 2023 shows that nearly 38,000 people died as the result of a synthetic opioid (usually fentanyl) overdose or poisoning in the first six months of the year.



THE CARTELS' GLOBAL NETWORKS FUEL DRUG DEATHS IN THE UNITED STATES



The Sinaloa and Jalisco cartels command worldwide organized criminal networks that all play a role in producing and delivering fentanyl, methamphetamine, and other illicit drugs by the ton. [Note: “Fentanyl” and “illicit fentanyl” are used interchangeably in this report to refer only to illegal fentanyl manufactured by criminal organizations, not to legitimate fentanyl preparations used in clinical settings or prescribed by doctors.] They operate extensive global supply chains, from precursor chemicals to production facilities, and direct a complex web of conspirators that includes international shippers, cross-border transporters, corrupt officials, tunnel builders, shell companies, money launderers, and others. The scope of the Sinaloa and Jalisco cartels’ control over each segment of the criminal drug trade has effectively eliminated any competition in U.S. markets, and enabled cartel members to establish a presence in every U.S. state (see Figure 1). Together, the Sinaloa and Jalisco cartels have caused the worst drug crisis in U.S. history. They dictate the flow of nearly all illicit drugs into the United States, and their dominance over the synthetic drug trade in particular is evident in the relentless stream of illicit fentanyl and methamphetamine crossing the border toward U.S. markets. The ease and low cost of producing these drugs on a large scale in Mexico makes them highly profitable. The crystal methamphetamine peddled by the cartels is more potent and cheaper than at any other time in the past decade. In addition, the cartels deliberately market illicit fentanyl in pill form to mimic trademarked prescription medications; as a result, many Americans are buying and consuming illegal drugs they believe to be legitimate prescription drugs. Drug sales are enabled by encrypted and open messaging applications and social media, used by cartel members and street dealers alike to advertise, arrange delivery, and get paid quickly, all on a single device, and with minimal exposure. Combined, these factors make detection harder and fuel drug poisonings in the United States at the hands of the Sinaloa and Jalisco cartels.

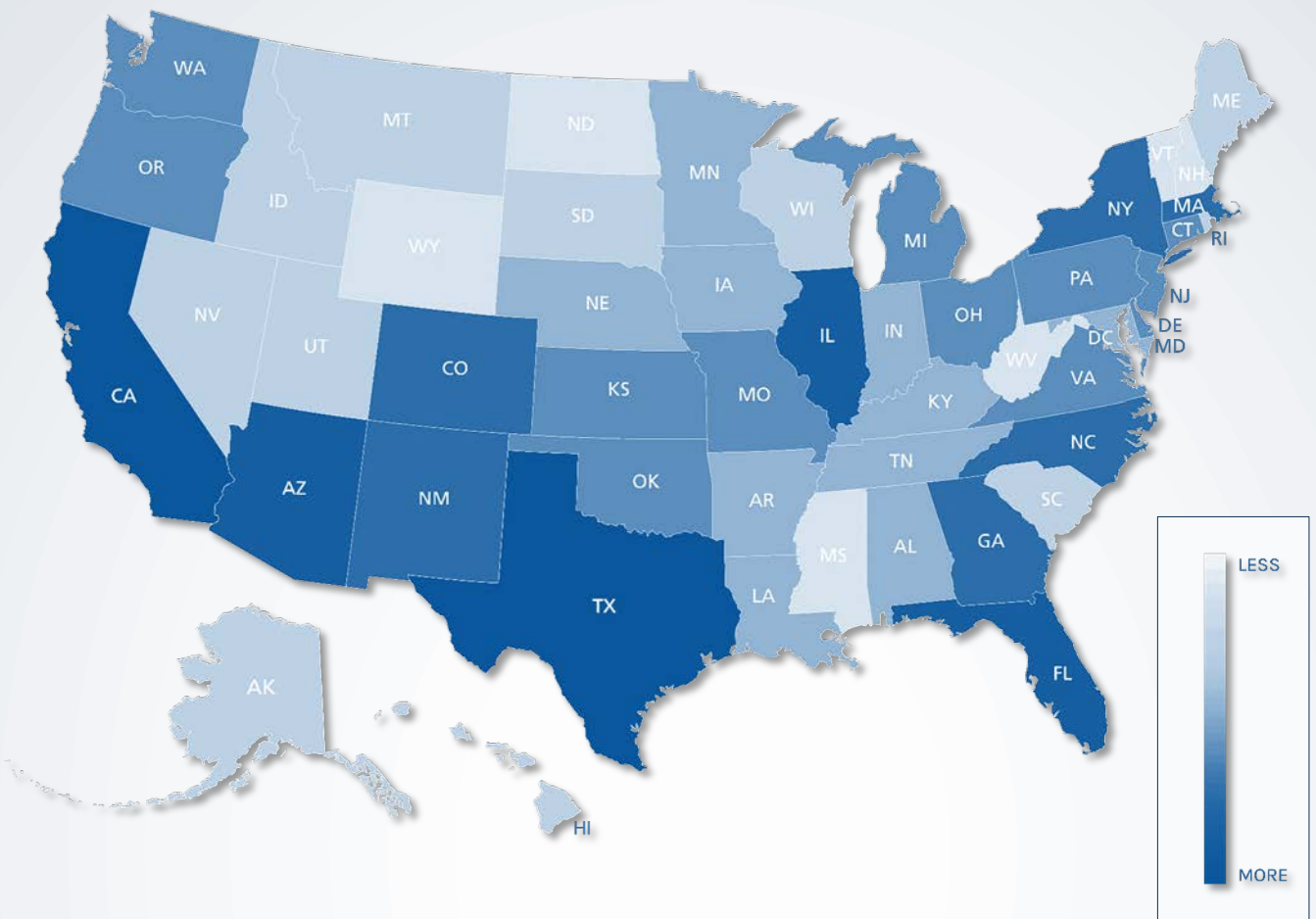
United States Justice Department Announces Indictments against Sinaloa Cartel Leaders in the Southern District of New York, Northern District of Illinois, and District of Columbia

On April 14, 2023, the U.S. Department of Justice announced wide-ranging charges against several leaders of the Sinaloa Cartel and its facilitators across the globe, including chemical suppliers, cartel enforcers, money launderers, and cartel leaders. Since the arrest and conviction of Joaquin “El Chapo” Guzman-Loera, the Sinaloa Cartel has operated as a loose affiliation of drug traffickers intertwined through long-standing business associations, marriage, and friendships. The Sinaloa Cartel’s current leaders include Ismael “El Mayo” Zambada-Garcia; Aurelio “El Guano” Guzman-Loera, the brother of El Chapo; Rafael Caro-Quintero, currently incarcerated in Mexico, and a cofounder of the former Guadalajara Cartel, a forerunner of Sinaloa Cartel; and El Chapo’s four sons, known collectively as “Los Chapitos”: Ivan Guzman-Salazar, Alfredo Guzman-Salazar, Joaquin Guzman-Lopez, and Ovidio Guzman-Lopez. Ovidio Guzman-Lopez was arrested on January 5, 2023, by Mexican authorities in Culiacan, Sinaloa, Mexico and extradited to the United States in September 2023. The other three brothers are fugitives in Mexico charged in multiple U.S. indictments.



Figure 1: Mexican Cartel Presence in the United States

MEXICAN CARTELS IN ALL 50 STATES



Source: DEA, March 2022 - 2024



SINALOA CARTEL

OVERVIEW

The Sinaloa Cartel is one of Mexico’s oldest criminal organizations, and one of the most violent and prolific polydrug-trafficking cartels in the world. They direct the smuggling of fentanyl and other illicit drugs into the United States every day, from smaller packages carried by human “mules” to thousands of pounds co-mingled with legitimate trade goods carried by tractor-trailers. The Sinaloa Cartel wields power through fear, threats, and violence, killing local police, journalists, members of other criminal groups who encroach on their territory without authorization – usually obtained by paying a “piso”³ – civilian victims “in the wrong place at the wrong time,” and even killing their own members for perceived disloyalty, disobedience, or to send a message. The cartel commits crimes to further and protect their drug interests, like bribery, extortion, and weapons trafficking; and they commit crimes for pure profit, such as human smuggling and trafficking. The Sinaloa Cartel has built a mutually profitable partnership with China-based precursor chemical suppliers to obtain the ingredients they need to make synthetic drugs, and with Chinese money laundering organizations (MLOs) to return “clean” drug proceeds to the cartel in Mexico.

LEADERSHIP STRUCTURE: THE SINALOA CARTEL’S UMBRELLA MODEL

The Sinaloa Cartel does not have a leader. Instead, the cartel “umbrella” covers four separate but cooperating criminal organizations. This structure theoretically gives the heads of the independent drug trafficking groups the ability to share resources – like smuggling routes, corrupt contacts, access to illicit chemical suppliers and money laundering networks – without sharing profits or having to answer to a main chain of command. In reality, however, internal power struggles and fluctuating alliances leave the viability of the “umbrella model” in question.

The four organizations are directed by:

- **“Los Chapitos”:** The collective name for Ivan Guzman-Salazar, Alfredo Guzman-Salazar, Joaquin Guzman-Lopez, and Ovidio Guzman-Lopez – sons of Joaquin “El Chapo” Guzman-Loera
- **Ismael “El Mayo” Zambada-Garcia:** A co-head of the Sinaloa Cartel for more than three decades
- **Aureliano “El Guano” Guzman-Loera:** Brother of Joaquin “El Chapo” Guzman-Loera
- **Rafael Caro-Quintero**

³ A piso is a fee or tax imposed by the cartel on local businesses and other criminal groups operating within their territory. A “piso” payment is essentially a form of extortion.

SINALOA CARTEL

LEADERSHIP STRUCTURE CONTINUED

Los Chapitos are four sons of Joaquin “El Chapo” Guzman-Loera, a former leader of the Sinaloa Cartel who is currently serving a life sentence in a U.S. prison. Ovidio Guzman-Lopez was arrested by Mexican authorities in Culiacan, Sinaloa in January 2023. In reaction, Los Chapitos and their loyalists initiated a violent attack against members of the Mexican military and law enforcement using military-grade weaponry, setting fires, and blockading streets and highways. Ovidio Guzman-Lopez was extradited to the United States in September 2023. Los Chapitos are at the center of an internal battle against their father’s former partner, Ismael Zambada-Garcia, who has been involved in drug trafficking from Mexico since the 1970s and has co-headed the Sinaloa Cartel for more than 30 years. Furthermore, Ismael Zambada-Garcia is reported to be in poor physical health, leaving the leadership of his faction in question.

Rafael Caro-Quintero was a founder of the original Guadalajara Cartel, and one of the leaders responsible for ordering the kidnapping, torture, and murder of DEA Special Agent Enrique Camarena in 1985. He was sentenced in Mexico to 40 years in prison, but was released under cover of darkness, on procedural grounds, in August 2013 after serving only 28 years of his sentence. That same month, the Government of Mexico issued a warrant for his re-arrest. Rafael Caro-Quintero was finally recaptured in July 2022; since then, Los Chapitos have been fighting his organization (known as the Caborca Cartel) for control of the Sonora desert region, a crucial trafficking route through the Mexican state of Sonora to the Arizona border (see Figure 2).

Figure 2: Map of the Mexican State of Sonora and the Sonora Desert Region





SINALOA CARTEL

FENTANYL

Los Chapitos and the Sinaloa Cartel reap billions of dollars in profits from the fentanyl trade, and pioneered the deadliest drug threat the United States has ever confronted. The Sinaloa Cartel dominates the fentanyl market through its manipulation of the global supply chain and the proliferation of clandestine fentanyl labs in Mexico, a *modus operandi*⁴ they developed over a more than 25-year history of manufacturing methamphetamine. The Sinaloa Cartel has been producing bulk quantities of fentanyl since at least 2012, but the Chapitos faction is responsible for pushing the importance of fentanyl to the cartel's "bottom line." Los Chapitos initially established a base of operations for manufacturing illicit fentanyl in the mountains near Culiacan. Now, they control the procurement of precursor chemicals, largely from China, and direct the production of illicit fentanyl from labs hidden in the mountains of Sinaloa and in other Sinaloa Cartel strongholds throughout Mexico. Sinaloa Cartel-controlled laboratories are responsible for introducing fentanyl in fake trademarked pills to the U.S. market, while also churning out thousands of pounds of powder fentanyl every year.

METHAMPHETAMINE

Methamphetamine made by the Sinaloa Cartel is directly contributing to the steep increase in methamphetamine-related poisoning deaths in the United States, which rank second only to deaths caused by fentanyl. Methamphetamine, like fentanyl, is a synthetic drug and the Sinaloa Cartel has capitalized on the cheap production and maintenance costs of manufacturing these drugs in comparison to the costs and risks associated with processing traditional plant-based drugs like heroin and cocaine. For decades, the Sinaloa Cartel has exerted a hold over the global supply apparatus, allowing them to circumvent regulatory and enforcement efforts to halt the flow of chemicals into clandestine drug labs. The multi-tons of methamphetamine produced in Sinaloa Cartel-controlled labs is purer and more potent than at any time in the past. The ample supply, low cost, and high potency has enabled the cartel to expand beyond traditional methamphetamine markets in the western United States into eastern U.S. markets, effectively flooding the United States with another deadly product. Methamphetamine is also the main drug leveraged by the Sinaloa Cartel to enter illicit drug markets in Asia, Australia, and New Zealand, where their profits can be more than 100 times higher than from U.S. sales.

⁴ *Modus operandi*, in this context, means "the established and recognized means and methods of conducting criminal activities".



SINALOA CARTEL

PRECURSOR CHEMICALS: THE INGREDIENTS FOR SYNTHETIC DRUGS

Without access to precursor chemicals, the Sinaloa Cartel could not create the fentanyl and methamphetamine responsible for so many American deaths. The Mexican cartels have a long history of defying, skirting, or bribing their way around regulations and outright bans on importing certain precursor chemicals. Despite controls levied by both the Mexican and Chinese governments, the flow of precursor chemicals into Mexico continues unabated. China-based suppliers are still the main source for the precursor chemicals used by the cartels in Mexico to produce illicit fentanyl and methamphetamine, but India is also emerging as a major source country for these chemicals. The Sinaloa Cartel uses a variety of tactics to conceal precursor chemical shipments coming into Mexico, including hiding the chemicals among legitimate commercial goods, mislabeling the containers, using front companies to create the appearance of legitimacy, or shipping through third-party countries. DEA reporting also indicates that the Sinaloa Cartel has contracted with Mexico-based brokers who work independently of any drug cartel to purchase large quantities of fentanyl precursor chemicals directly from China.

OTHER DRUGS

Despite collecting billions of dollars in the illicit synthetic drug trade, the Sinaloa Cartel has never stopped trafficking cocaine, heroin, and marijuana nor stopped capitalizing on opportunistic drug trends. The cartel has long-standing ties to cocaine producers in South America and have cultivated marijuana and opium poppy (for the production of heroin) for generations. Mexican cartels are the main suppliers of both cocaine and heroin to U.S. markets. The combined illicit profits from selling both synthetic drugs and traditional plant-based drugs underwrite the totality of the Sinaloa Cartel's criminal enterprise, funding their expansion into illegal drug markets across the globe and providing enough product diversity to meet the demands of different illegal drug markets. The Sinaloa Cartel is always looking to profit on the illegal drug trends of the moment. One example is "tusi," a pink drug cocktail (mixture of two or more illegal drugs) consumed mainly in the club scenes of major metropolitan cities. Originally a slang term for the synthetic hallucinogenic drug 2C-B, tusi is increasingly manufactured and trafficked as a combination of cocaine, methamphetamine, and ketamine. The Mexican government has not disclosed the seizure of any tusi labs in Mexico, but the Sinaloa Cartel is capable of importing large quantities of ketamine from China to facilitate tusi production in Mexico.

SINALOA CARTEL

STAYING AFLOAT: SINALOA CARTEL CONTROL OF MARITIME PORTS

Precursor chemicals have to get into Mexico before they can be used to make fentanyl and methamphetamine, and South American cocaine must arrive in Mexico before the cartels can traffic it across the border into the United States. Seaports, therefore, are critical parts of the Sinaloa Cartel’s criminal infrastructure. The Port of Mazatlan on the Pacific Coast of Sinaloa is wholly controlled by the Sinaloa Cartel, and they charge other drug trafficking organizations a piso for use of the port. The Sinaloa Cartel maintains logistical and corrupt government contacts at other maritime ports on both coasts of Mexico (see Figure 3). A long history of alliances with drug trafficking organizations operating in Colima give the Sinaloa Cartel access to the Port of Manzanillo, strategically significant because of its location on the central Pacific Coast and its high volume of shipping traffic due to widespread use of the port by foreign countries to exchange legitimate trade goods with Mexico and to refuel. The Port of Manzanillo is located just south of the rival Jalisco Cartel’s stronghold, however, which increases tensions between the two main Mexican cartels. Numerous complicit trucking companies work with the Sinaloa Cartel to transport illicit drugs and precursor chemicals from the ports to Mexico City and other inland locations.

Figure 3: Maritime Ports in Mexico



Source: DEA



SINALOA CARTEL

THE “GATEKEEPERS”: DRUGS CROSSING THE SOUTHWEST BORDER

No single cartel controls specific border crossings, or ports of entry (POEs), into the United States, and some drug shipments cross the border between, not through, official POEs. The size and firepower of the cartel that controls the border region of Mexico immediately south of the U.S. border, however, does dictate which other drug trafficking groups have to pay a piso to smuggle drugs through the region toward the border, and which are barred from transiting the region altogether. The Sinaloa Cartel exerts near-total control over the border region south of Arizona, giving the cartel easy access to the San Luis Rio Colorado and Nogales POEs.

DEA reporting indicates that the Sinaloa Cartel stages illegal drug shipments near the Arizona POEs and uses those entry points not only as the base for onward shipments of illicit drugs to areas across the United States, but also to smuggle fake trademarked fentanyl pills for consolidation in the Los Angeles area. Large Sinaloa Cartel contingents operate across much of the border with California, too, providing access to the San Ysidro POE – the busiest border crossing in the Western Hemisphere – and the Otay Mesa POE. The Sinaloa Cartel also stages methamphetamine and fentanyl shipments for crossing in the Mexicali and Tijuana, Baja California areas. According to DEA reports, Los Chapitos have a specific preference for using the Ysleta-Zaragoza Bridge from Juarez, Chihuahua into El Paso, Texas.

The Sinaloa Cartel also uses border tunnels to cross drugs into the United States undetected. Most of the tunnels are not built by the cartel but are part of the border cities' sewage and water systems. A small number, however, are underground structures that begin beneath a home or business on the Mexico side of the border and end beneath an industrial area in the United States, where the departure of tractor-trailers from a warehouse is unremarkable. U.S. law enforcement has developed sophisticated means of detecting underground tunnels, which has proven to be a deterrent. The use of catapults to launch drugs over border barriers, or the use of drones to air-drop drugs into the United States, though highly publicized when they occur, are rare events.



SINALOA CARTEL

INVOLVEMENT IN ORGANIZED CRIME

A defining characteristic of all organized crime groups is involvement in any illegal venture that results in profit, drug trafficking being among the most lucrative. The Sinaloa Cartel is most closely identified with drug trafficking, but are also engaged in extortion, the theft of petroleum and ores, weapons trafficking, migrant smuggling, and prostitution. The Sinaloa Cartel, like other Mexican criminal groups, is involved in the Mexican fuel black market, and DEA reporting points to fuel theft as one of the Sinaloa Cartel's main criminal pursuits in the southern Mexican state of Chiapas. According to media reports, Mexico's state-owned oil company, Pemex, lost \$730 million from illegal pipeline taps in the first nine months of 2022. In addition, the criminal links between the Sinaloa Cartel and China-based chemical suppliers provide the networks for the trafficking of poached wildlife from Mexico into China. Members of the Sinaloa Cartel conspire with Chinese organized crime groups in Sonora, Mexico to traffic totoaba, an endangered fish prized in Asia for its gas-filled sac, or swim bladder. Totoaba is caught only in Mexico, and its swim bladder nets tens of thousands of dollars on China's black markets. Mexican officials have arrested Sinaloa Cartel members for trafficking both drugs and totoaba.

CORRUPTION: WHAT MONEY CAN BUY

The Sinaloa Cartel is able to operate freely in some parts of Mexico because they have a network of corrupt law enforcement, military, and political contacts. In February 2023, Genaro Garcia-Luna, the former Secretary of Public Security in Mexico, was convicted in the Eastern District of New York on international drug trafficking and conspiracy charges resulting from a DEA-led investigation. Garcia-Luna used his official position to help the Sinaloa Cartel traffic multi-ton quantity drug loads – mainly cocaine and heroin – to the United States in exchange for millions of dollars in bribes. The bribes increased over the years as the Sinaloa Cartel grew in size and power through the former Secretary's support. Garcia-Luna is the highest-ranking Mexican official to be convicted of drug trafficking crimes in the United States.



SINALOA CARTEL

GLOBAL EXPANSION

The Sinaloa Cartel operates in at least 47 countries around the world. In places like China, the Sinaloa Cartel sources precursor chemicals, traffics methamphetamine, and reinforces contacts with Chinese MLOs. The Sinaloa Cartel also supplies methamphetamine to other Asian countries, like Thailand, and to countries like Australia and New Zealand, where the cost of methamphetamine – and therefore the profit back to the cartel – is many times higher than in the United States. In South America, the Sinaloa Cartel brokers shipments of thousands of kilograms of cocaine into Mexico destined for the U.S. market, or into Europe, Australia, and New Zealand where cocaine nets as much as ten times the profit as selling in the United States. Countries throughout Central and South America house permanent contingents of Sinaloa Cartel members who coordinate cocaine shipments or the importation of precursor chemicals for movement onward to Mexico, disguising the shipment's true origin. Mexican cartels have historically used locations on the African continent as transshipment points for cocaine destined for Europe. Occasional DEA reports of the Sinaloa Cartel exporting their clandestine lab expertise into Africa have surfaced over the years; most recently, in June 2023, the Mozambique National Police arrested several people in the process of building a drug production lab, including two Mexican nationals recruited by the Sinaloa Cartel for that purpose.



JALISCO CARTEL

OVERVIEW

The Cartel Jalisco Nueva Generación, or Jalisco Cartel, is one of Mexico's most powerful and ruthless criminal organizations, and another key driver of fatal drug poisonings in the United States. Since its formation around 2011 out of the remnants of the Sinaloa Cartel-affiliated Milenio Cartel, the Jalisco Cartel has become wholly independent and now operates well beyond Mexico's borders, with a presence in dozens of countries around the world and all 50 U.S. states. The Jalisco Cartel uses its vast financial resources, violence, bribery of corrupt officials, and franchise-based command structure to maintain and expand its dominance in Mexico's illicit drug trade. Key members of the Jalisco Cartel are linked by blood ties or marriage to the Gonzalez-Valencia MLO, known as Los Cuinis, many of whose members and companies are under U.S. sanction. Like the Sinaloa Cartel, the Jalisco Cartel reap billions of dollars in profit from the manufacture of methamphetamine and illicit fentanyl, and they are one of the main suppliers of cocaine to the U.S. market.

LEADERSHIP STRUCTURE: THE JALISCO CARTEL'S FRANCHISE MODEL

The Jalisco Cartel operates under a franchise business model. The cartel is overseen by Ruben "El Mencho" Oseguera-Cervantes, and a small group of top-tier commanders who report directly to El Mencho. A second tier of regional and "plaza"⁵ bosses operate under the top tier leaders. The franchise model permits each semi-independent group to customize its operations according to specific areas of expertise (for example, running clandestine methamphetamine labs) or market demands, provided they comply with naming, branding, and organizational structure requirements, and follow the general direction handed down by Jalisco Cartel leadership. The franchise model also enables the Jalisco Cartel to expand quickly, since new franchises are easy to establish. The Jalisco Cartel also maximizes their revenue through this model, because leadership does not pay the operating costs of its franchises but does collect a percentage of overall profits. One of the key weaknesses of the franchise model, however, is that individual franchise groups operating under the Jalisco Cartel name can form their own unique alliances with other criminal groups, some of which are in direct opposition to the alliances of other franchises.

⁵ A plaza is defined as a strategic operational hub, typically a city or seaport from which the head of that group directs the trafficking activities of the other members.



JALISCO CARTEL

FENTANYL

The Jalisco Cartel has become one of the largest producers and traffickers of illicit fentanyl, in both powder and pill form, to the United States. Although the Jalisco Cartel cannot match the Sinaloa Cartel's fentanyl production capacity, they have flooded American streets with fentanyl, often mixed with other drugs like heroin, cocaine, and xylazine. The cartel has its own connections to precursor chemical suppliers in China for the production of fentanyl and methamphetamine and exerts control over a number of seaports for importing the chemicals. They also control an extensive network of smuggling routes into the United States, and lucrative distribution hubs in major U.S. cities like Atlanta, Georgia.

METHAMPHETAMINE

A straight line can be drawn between the cheap and deadly methamphetamine fueling addiction, violence, and crime in American communities and the Jalisco Cartel's involvement in methamphetamine production, particularly their investment in "super labs."⁶ Every year, the Jalisco Cartel brings methamphetamine into the United States by the ton, but the cartel's methamphetamine market does not stop at the U.S. border. Jalisco Cartel-linked methamphetamine seizures have been reported in countries around the globe, including Japan and Australia, two of the most expensive and profitable methamphetamine markets in the world.

PRECURSOR CHEMICALS: THE INGREDIENTS FOR SYNTHETIC DRUGS

Precursor chemicals are essential for the manufacture of illicit fentanyl and methamphetamine. The Jalisco Cartel acquires the vast majority of the chemicals it needs to produce these deadly drugs from China and, to a lesser extent, from India. The Jalisco Cartel needs large barrels of chemicals for methamphetamine production, especially for operating their super labs. Not only does the cartel keep a steady supply of chemicals to maintain constant production, but they also stockpile chemicals in case of trade disruptions, law enforcement seizures, or new chemical control regulations. The quantity of chemicals needed for illicit fentanyl production, however, are small enough to be smuggled into Mexico in air cargo; some shipments even arrive first in the United States in mislabeled packages, from where they are smuggled into Mexico, sometimes without the shipper's knowledge, by freight forwarders or re-shippers.

⁶ A "super lab" is a clandestine drug lab that can produce 10 pounds or more of a drug per production cycle. Super-labs are often equipped with industrial- and pharmaceutical-grade equipment.



JALISCO CARTEL

OTHER DRUGS

The Jalisco Cartel does not rely on illicit fentanyl or even methamphetamine as its only sources of drug profits. The cartel is a main supplier of cocaine to U.S. markets, especially on the East Coast, and they also traffic ton quantities of heroin and marijuana into the United States. The Jalisco Cartel is using some of its billions of dollars in illicit drug money to increase its global footprint and increase its drug production capacity to compete in new and profitable drug markets like Australia, Japan, and Europe.

STAYING AFLOAT: JALISCO CARTEL CONTROL OF MARITIME PORTS

The Jalisco Cartel uses bribery, intimidation, and extortion of government and private port officials to guarantee the safety and delivery of its own methamphetamine precursor chemical shipments from China, and its cocaine shipments from Colombia, Peru, and Bolivia. Although the seaports are key to getting industrial-scale chemical shipments from China into Mexico, most fentanyl precursors arrive via air cargo or through postal facilities. The cartel also uses the ports to traffic methamphetamine, illicit fentanyl, and cocaine out of Mexico to destinations around the world. Exercising control over maritime ports is also a key source of revenue for the Jalisco Cartel, by charging other drug trafficking organizations a piso to use the ports for their own drug or chemical shipments. The Jalisco Cartel has almost-exclusive corrupt access to the Ports of Manzanillo and Lazaro Cardenas on the Pacific Coast of Mexico and can also access the Ports of Veracruz and Matamoros on the Atlantic Coast/Gulf of Mexico. The Port of Matamoros is in a strategic location near the United States-Mexico border, potentially allowing the Jalisco Cartel – and other drug trafficking groups who pay the piso – to traffic drugs into the United States more easily and quickly using nearby Southwest Border entry points (see Figure 3, page 8).

THE “GATEKEEPERS”: DRUGS CROSSING THE SOUTHWEST BORDER

The Jalisco Cartel mainly uses legal POEs for crossing drugs over the Southwest Border into the United States, mostly in shipments carried by tractor-trailers or by couriers in personally-owned vehicles. Although the Jalisco Cartel is one of the two largest cartels in Mexico, they control very little territory in immediate proximity to the U.S. border. Therefore, its members willingly pay a piso for the use of POEs, tunnels, or other smuggling routes into the United States to whichever criminal organization currently controls access. Alliances and relationships with these smaller groups provides the Jalisco Cartel with a measure of protection from theft or law enforcement seizure as their drug shipments cross through these other groups' territories.



JALISCO CARTEL

INVOLVEMENT IN ORGANIZED CRIME

Drug production and trafficking provide the bulk of the Jalisco Cartel's criminal wealth, but like any other organized crime group, they are involved in many other illegal profit-making schemes. The Jalisco Cartel directs the theft of fuel from pipelines; extorts agave and avocado farmers, migrants, and prison officials; and taxes migrant smugglers. The cartel's close family and marital ties to Los Cuinis, a criminal organization whose members have been deeply entrenched in money laundering schemes for over a decade, give them a money laundering advantage over other drug trafficking organizations, and they are active in the construction of resorts, timeshares, and other properties in high-tourism areas for fraudulent and money laundering purposes.

CORRUPTION: WHAT MONEY CAN BUY

The Jalisco Cartel manufactures and traffics drugs with relative impunity in some parts of Mexico by bribing and intimidating government, military, and law enforcement officials at all levels. Since its formation over 10 years ago, the Jalisco Cartel has directed some high-profile attacks against the Mexican military and police, including the downing of an army helicopter that killed six soldiers, and the attempted assassination of the Mexico City police chief, and even conducted an attack against the Guatemalan president's convoy when it was touring the Guatemala-Mexico border region. The Jalisco Cartel is also implicated in the bribery of judges.

THE JALISCO CARTEL'S GLOBAL EXPANSION

The Jalisco Cartel is active in over 40 countries in South America, Asia, Europe, and Africa. They have become competitive in these profitable markets very quickly, given their rival Sinaloa Cartel's more than 30-year head start as a drug trafficking organization. The Jalisco Cartel established distribution hubs in Spain in early 2023, as part of their ongoing plan to expand into European drug markets. Their rapid expansion is evidence of the Jalisco Cartel's growing criminal influence across the globe, and the profits garnered from these lucrative markets provide the financial fuel for even further expansion.



THE CARTELS' REACH INTO U.S. COMMUNITIES



OVERVIEW

Thousands of Sinaloa and Jalisco cartel-linked drug dealers in the United States bring illicit fentanyl, methamphetamine, and other drugs into American communities every day. A web of illicit drug wholesalers, only one step removed from the cartels in Mexico, operate in major cities throughout the United States, like Los Angeles, Phoenix, Houston, Chicago, Atlanta, Miami, and others. Smaller branches of the cartels spread the drugs further, often using social media platforms and messaging applications to advertise their deadly products and recruit couriers and dealers. They supply networks of local independent drug trafficking groups, street crews, and gangs whose main aim is to get the illegal drugs into the hands of users – selling on the streets, over apps and social media, and in schools. Some gang members and independent traffickers are so prolific they have established direct contact with the Sinaloa and Jalisco cartel-connected wholesalers and risen from street-level dealers to regional-level suppliers.

Just like their Mexico-based criminal counterparts, neighborhood-based crews, local dealers, and gang members endanger U.S. communities by selling fentanyl, methamphetamine, cocaine, heroin, and other drugs, and committing shootings, murders, carjackings, assaults, and robberies.

OPERATION LAST MILE

DEA's Operation Last Mile tracked distribution networks across the United States connected to the Sinaloa and Jalisco cartels. The operation confirmed that the Sinaloa and Jalisco cartels use violent street gangs and local criminal groups and individuals to flood U.S. communities with fentanyl and methamphetamine, driving addiction and violence, and killing Americans. It also revealed that the cartels, their members, and their affiliated drug trafficking organizations in the United States use social media platforms – like Facebook, Instagram, TikTok, and Snapchat – and encrypted messaging applications, such as WhatsApp, Telegram, Signal, Wire, and Wickr, to coordinate logistics and communicate with victims.

Operation Last Mile comprised 1,436 investigations in collaboration with federal, state, and local law enforcement partners, and resulted in 3,337 arrests. DEA and its partners seized nearly 44 million fentanyl pills; over 6,500 pounds of fentanyl powder; more than 91,000 pounds of methamphetamine; 8,497 firearms; and in excess of \$100 million. Together, the fentanyl pills and powder equate to almost 193 million deadly doses of fentanyl removed from U.S. communities, preventing countless potential drug poisoning deaths. Among these cases were hundreds that involved the use of social media and encrypted communications platforms.



THE CARTELS' REACH INTO U.S. COMMUNITIES



SOCIAL MEDIA EXTENDS THE REACH OF THE CARTELS

Social media extends the reach of the Sinaloa and Jalisco cartels directly into drug users' phones, with potentially fatal consequences. Drug trafficking groups use social media to advertise and conduct illicit drug sales. Dealers and buyers often use emojis, numeric codes, or coded language to communicate drug availability and drug interest. Social media allows dealers to post photos and prices of the drugs available for purchase, share sales locations via map location pins, deliver drugs to customers through rideshare applications, and communicate with their criminal partners and customers through open or encrypted messaging apps. Social media pushes much of the drug dealing off the streets, shielding the dealers from law enforcement attention. Street crews and gang members also recruit new members using social media platforms. These platforms and apps are also used to boast about travel, money, cars, weapons, and clothes; and to intimidate rival criminal groups by brandishing weapons, bragging about crimes committed, or threatening acts of violence.

Gangs/Street Crews and Weapons

When dealing drugs, gang members use firearms to enforce payment for drugs, deter theft of their drug supply, and for "street cred" – and also to commit robberies, assaults, homicides, and carjackings. In addition to commercially-manufactured firearms, members of gangs and street crews use privately made firearms (PMFs). These weapons are easy to make using PMF parts and kits purchased through dealers or online or using 3D printers; or they are bought from individuals who traffic in PMF sales. [Note: PMFs are commonly referred to by their street name, "ghost guns." A commercial manufacturer of PMF parts and kits has trademarked the name.] In some parts of the United States and Mexico, suspected PMFs account for more than 10 percent of all the firearms recovered by law enforcement and traced by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). Suspected PMF seizures in the United States have increased by 31 percent since 2021, with the majority of these occurring in California. Drug traffickers and other criminals also buy machine gun conversion devices (MCDs), known as auto sears or "chips," which convert semi-automatic weapons to automatic weapons. Tracing of MCDs by the ATF has increased by approximately 180 percent since 2021, according to preliminary ATF data. In September 2023, the Houston Violent Crime initiative – part of a nationwide DEA and multi-agency U.S. Department of Justice Criminal Division program – concluded a gang investigation that resulted in federal charges against 39 suspects. DEA and its partners seized 248 kilograms of methamphetamine including pills that contained both methamphetamine and fentanyl, plus quantities of heroin and cocaine, all supplied by cartel-linked drug trafficking groups, in addition to PCP, four pill presses, and over \$110,000. In addition, law enforcement officials seized 79 firearms, including three firearms with attached MCDs, three additional MCDs not attached to firearms, three PMFs, a silencer, an inert hand grenade, and body armor.



Figure 4: PMF Kits
Source: DEA

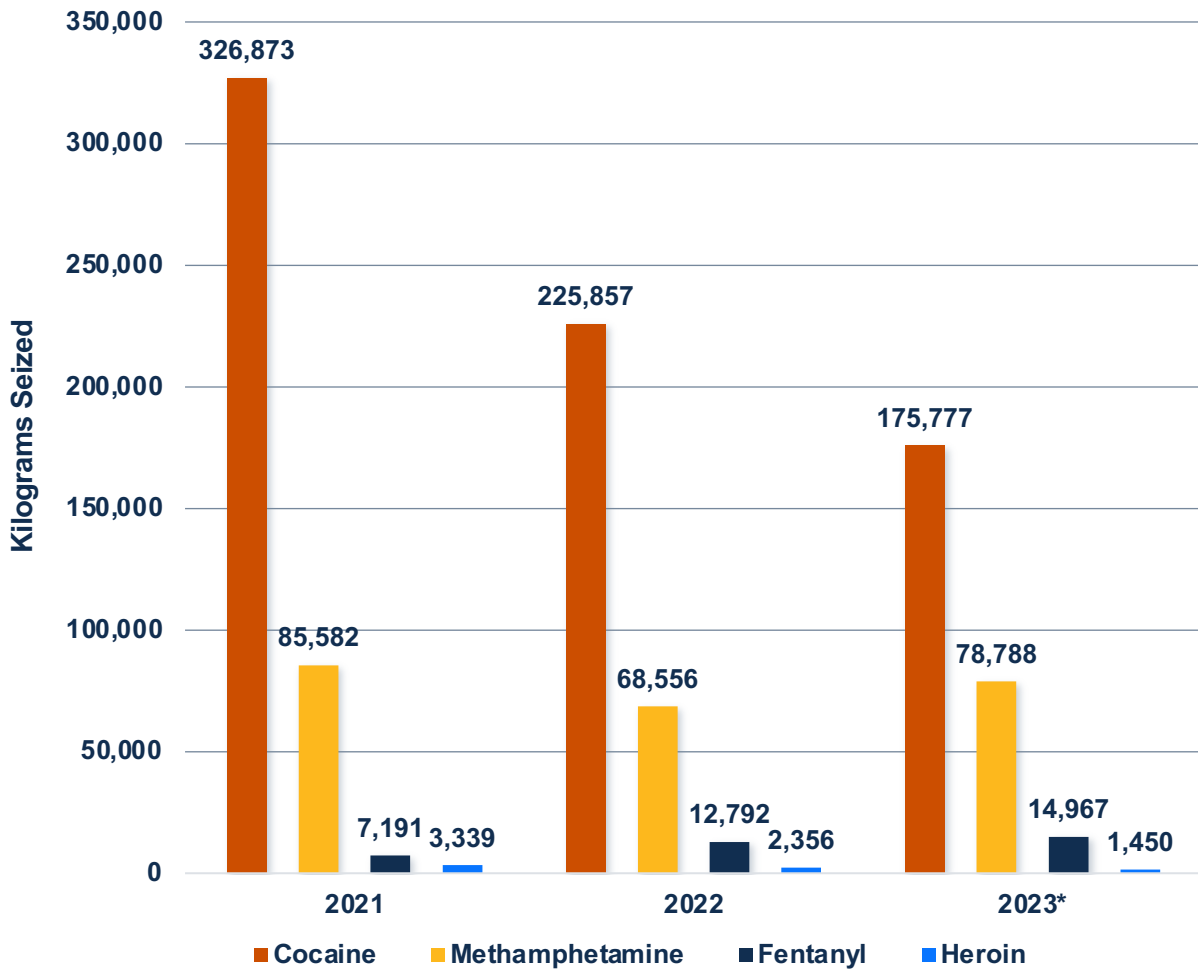


THE CARTELS' REACH INTO U.S. COMMUNITIES



Figure 5: Drug Seizures by DEA, 2021-2023* (in kilograms)

DEA TOP DRUG SEIZURES, 2021-2023*



*2023 data is preliminary and subject to change

Source: DEA

Note: The total kilogram weight for fentanyl and methamphetamine includes the weight of pills containing those substances but is not representative of the percentage of each substance contained in the pills.

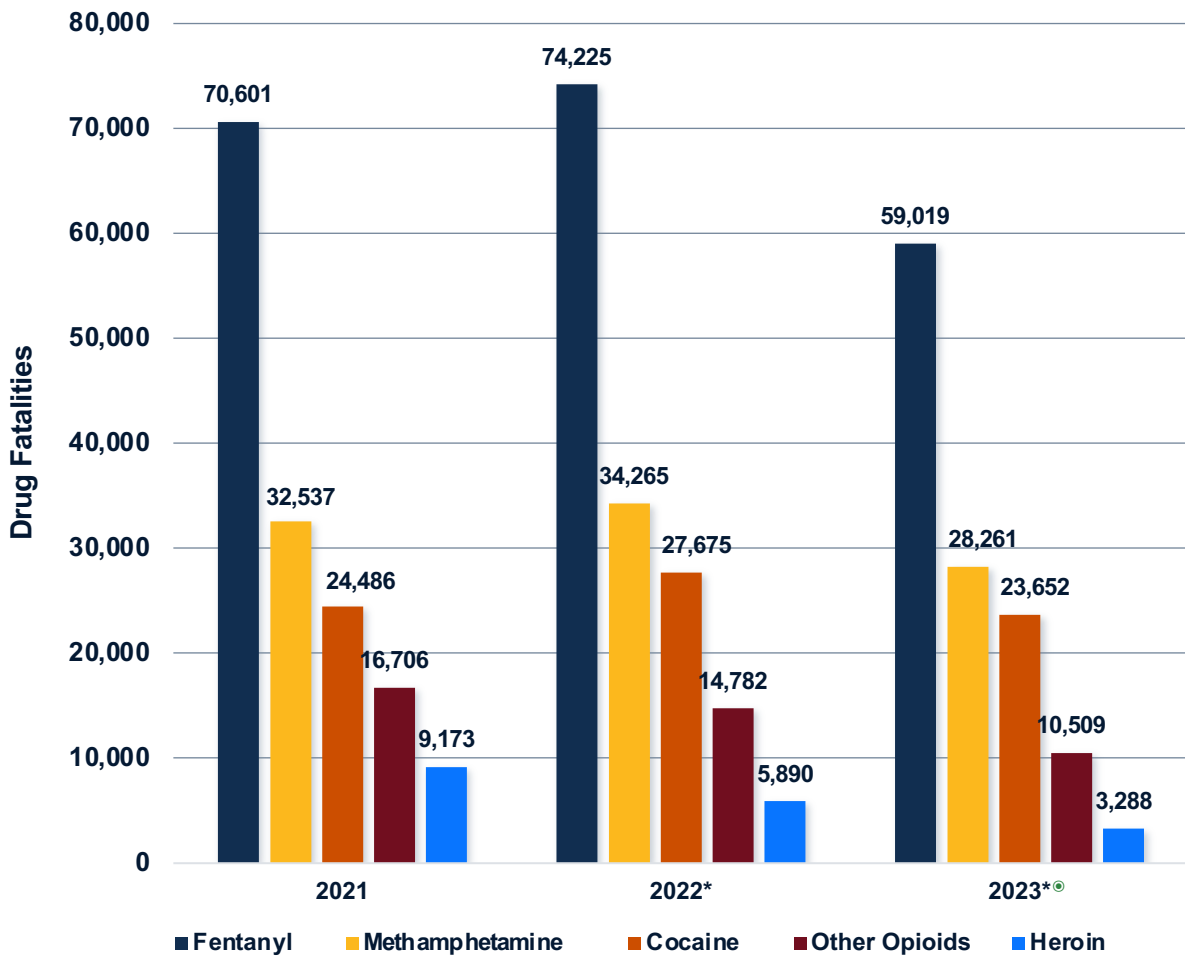


THE CARTELS' REACH INTO U.S. COMMUNITIES



Figure 6: Top 5 Drugs Responsible for U.S. Fatalities

CDC 2021-2023 TOP 5 DRUG CAUSES OF DEATH



*provisional data | [Ⓞ]CDC continues to receive 2023 data

Source: National Center for Health Statistics, Centers for Disease Control and Prevention

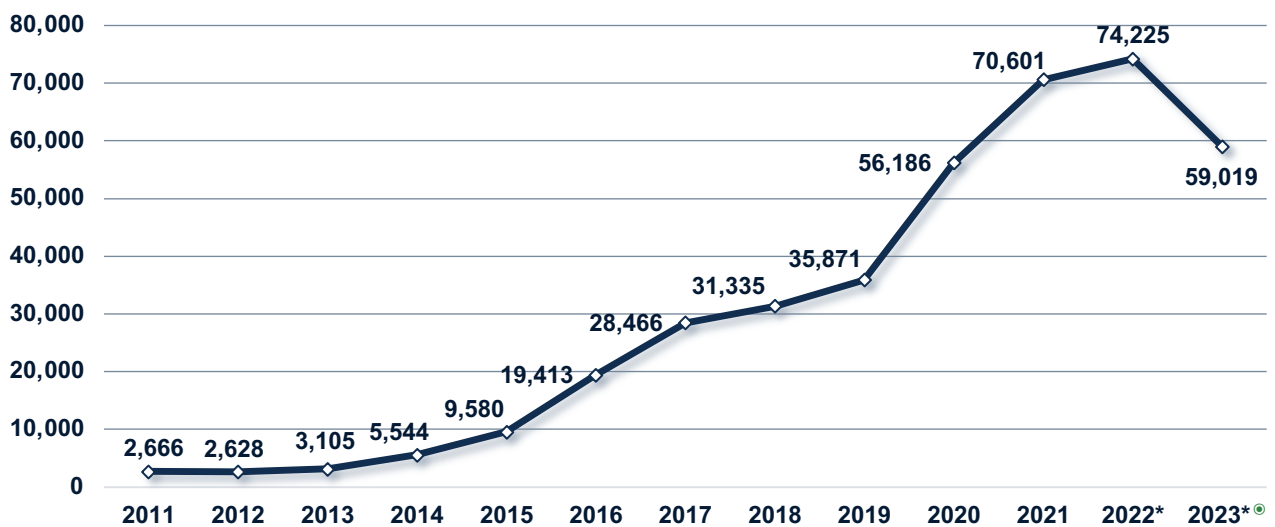
Note: Deaths involving more than one substance are reflected in the totals for all substances cited in the decedent's toxicology report.



FENTANYL

OVERVIEW

Figure 7: Synthetic Opioid (Other than Methadone) Poisoning Deaths, 2011-2023*



*provisional data | **CDC continues to receive 2023 data

Source: National Center for Health Statistics, Centers for Disease Control and Prevention

Fentanyl manufactured by the Mexican cartels is the main driver behind the ongoing epidemic of drug poisoning deaths in the United States. Further complicating the fentanyl threat is the addition of the dangerous veterinary tranquilizer xylazine to the fentanyl to create what is known as “tranq.” Fentanyl is also being hidden in other powder drugs such as cocaine and heroin and, to a lesser extent, methamphetamine. Users often take these drugs without knowing they contain fentanyl, which greatly increases the risk of poisoning. Fake prescription pills containing fentanyl present an extreme danger. Most of these fake pills are made to look nearly identical to real prescription pills, such as oxycodone (M30, Percocet); hydrocodone (Vicodin); or alprazolam (Xanax) – the fentanyl content in these fake pills is known only after laboratory analysis. In 2023, DEA forensic laboratory analysis showed that approximately 7 in 10 fake pills contain a potentially deadly dose of fentanyl (approximately 2 milligrams). Fentanyl also poses an ongoing threat to law enforcement personnel and other first responders who may encounter it in the performance of their duties.

China-based chemical suppliers are the main source of the chemicals used in the production of illicit fentanyl. The Sinaloa and Jalisco cartels manufacture fentanyl in clandestine labs they oversee in Mexico, in both powder form and pressed into fake pills, and traffic it into the United States through any of the many entry points they control.

FENTANYL

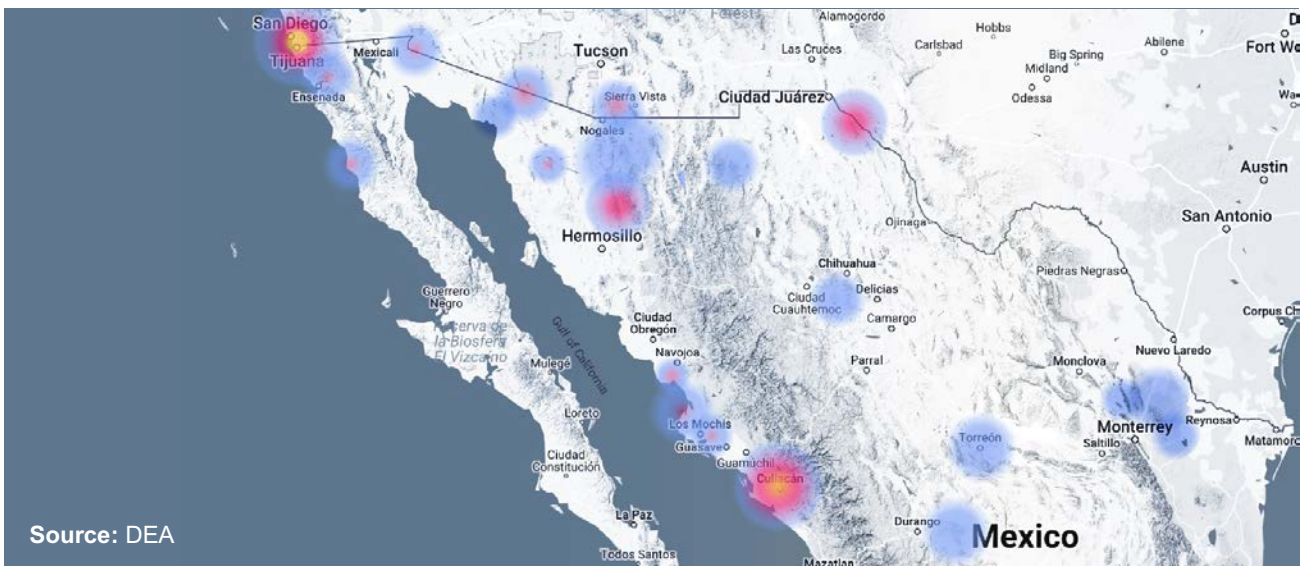
The Sinaloa and Jalisco cartels have cemented their role in supplying fentanyl to the United States as the number of fatal overdoses involving illicit opioids has risen.

According to the CDC, 68 percent of all drug poisoning deaths in 2022 – 74,225 of the 111,036 total – were caused by synthetic opioids, primarily fentanyl (see Figure 7, above). CDC provisional data shows that synthetic opioids were the cause of another 38,000 deaths in the first six months of 2023. The Sinaloa and Jalisco cartels are using social media platforms to flood the U.S. drug market with fentanyl and other illicit drugs. Using both open and encrypted platforms and messaging applications, the cartels advertise drugs for sale, process payments for drugs, recruit and train couriers and dealers, communicate with customers, and plan transactions – all online. Encryption on many platforms has diminished law enforcement’s visibility into drug trafficking and other crimes committed using these platforms and applications. The cartels maintain a web of networks to smuggle drugs into the United States, to include air and sea cargo, vehicular and pedestrian traffic, border tunnels, and stash houses on both sides of the border, and then further direct drug trafficking and distribution inside the United States.

DEA continues to seize record amounts of illicit fentanyl every year.

DEA continues to seize record amounts of illicit fentanyl every year, from 6,875 kilograms in 2021 to nearly twice that amount – 13,176 kilograms in 2023; and close to 79 million pills containing fentanyl in 2023, more than triple the 23.6 million pills seized in 2021 (see Figure 8). Fentanyl poisonings and law enforcement seizures of fentanyl have increased steadily since 2013.

Figure 8: Heat Density Map of Fentanyl Pill Seizures in Mexico in 2022



FENTANYL

Market diversification by Mexican cartels makes fentanyl appealing to more users.

The Sinaloa and Jalisco cartels manufacture fentanyl in different forms to make it appealing to more kinds of drug users. Powder fentanyl is easily mixed with or substituted for cocaine and heroin, in regions of the United States where light-colored powder heroin is the norm. The cartels also make fentanyl in black tar form, to cater to markets where black tar heroin is the norm. (The eastern United States and the Great Lakes region are associated with white powder heroin, and areas west of the Mississippi River are associated with black tar heroin.) The clearest example is the cartels' exploitation of Americans' trust in prescription medications to introduce fentanyl in the form of fake trademarked pills. Multicolored pills known as "rainbow fentanyl" first appeared in 2022, pressed and marked the same way as the cartels' typical fake trademarked pills, but made in pastel colors instead of the usual light blue (see Figure 9).



Figure 9: "Rainbow Fentanyl" Pills
Source: DEA

The rainbow pills are not marketed as ecstasy (MDMA) but are appealing to that user group. DEA forensic laboratory analysis found no measurable difference in fentanyl potency or content based on color. In 2023, law enforcement encountered illicit fentanyl contained in liquid for the first time. The liquid contained fentanyl in very low concentrations, reportedly intended to appeal to intravenous users.

DEA's Fentanyl Profiling Program documented higher average purity in pills containing fentanyl.

DEA forensic chemists perform an in-depth analysis on a random sampling of fentanyl pills and powder seized throughout the United States to provide an annual snapshot of the U.S. fentanyl market. In 2022, the average fentanyl pill contained 2.4 milligrams (mg) of fentanyl, ranging from a low of .03mg to a high of 9mg. A lethal dose of fentanyl is approximately 2mg, depending on the user's opiate tolerance and other factors. Based on these analyses, DEA forensic laboratory results documented that approximately 7 out of 10 fake pills contain a deadly dose of fentanyl, up from 4 in 10 pills in 2021. The average purity of the fentanyl powder samples was 19.2 percent, a 33 percent increase since 2021, ranging from exhibits that contained almost no fentanyl (.07 percent) to exhibits containing 81.5 percent pure fentanyl.

⁷ Fentanyl does not dissolve quickly or easily in water and tends to stay "suspended" in the liquid used as a carrier. This is why the solution is described as a liquid that contained fentanyl rather than as "liquid fentanyl."



FENTANYL

Mexican cartels use precursor chemicals sourced mainly from China.

The Sinaloa and Jalisco cartels and their chemical suppliers in China rely on deliberate mislabeling, multi-phase shipping maneuvers, and other evasive techniques to get fentanyl precursor chemicals into Mexico without being detected by law enforcement or stopped by international chemical regulators. Suspect vendors and darkweb marketplaces based in China use certain keywords or phrases to indicate their willingness to defy bans and restrictions, such as “discreet delivery,” “no customs issues,” or “100% guaranteed delivery or free reshipment.” In shipping notifications, vendors sometimes hide the shipment details by embedding them in photos or images that do not raise suspicions. Cargo containing these chemicals can be deliberately mislabeled or misspelled or contain the Chemical Abstracts Registry number instead of the chemical name – a number unlikely to be known by shippers, freight forwarders, or port workers. China-based chemical suppliers prefer cryptocurrency payments over other forms, and encrypted messaging and communications platforms. The Mexican cartels use international export brokers, consignees, third-party countries, and other methods to anonymize the contents and source of the chemical shipments. The cartels also use legitimate but likely complicit companies in the United States, Mexico, and India to import chemicals for subsequent diversion to clandestine fentanyl labs in Mexico.

The cartels’ 2023 “stop fentanyl” order in Mexico did not stop fentanyl trafficking into the United States.

In early 2023, the Sinaloa and Jalisco cartels allegedly ordered their subordinates to stop the production and trafficking of fentanyl. In October 2023, Los Chapitos orchestrated a public show of enforcing the so-called ban by hanging banners in prominent locations in Sinaloa, Sonora, and Baja California. The ban is probably a public relations stunt, however, or an attempt by the cartels to consolidate production among a smaller number of trusted manufacturers and punish others. Throughout 2023, fentanyl was seized at the border in equal or higher quantities as in previous years, and no DEA field office reported that fentanyl is less available or more expensive, either of which would point to a decrease in the supply.



NITAZENES

OVERVIEW

Nitazenes⁸ are synthetic opioids, like fentanyl – but some nitazenes can match or surpass the potency of fentanyl. Different nitazenes have been appearing in fentanyl mixtures in the United States since 2019. When combined with fentanyl, the effects of both drugs are heightened, which significantly increases the chance of fatal drug poisoning. The mixtures are probably being made mainly by mid-level and street-level dealers in the United States, but since nitazenes are sold by China-based chemical suppliers through online marketplaces, the Mexican cartels could easily use their existing relationships with those suppliers to obtain nitazenes. To date, however, Mexican authorities have not seized nitazene or nitazene-fentanyl mixtures in Mexico, and only about 12 percent of the nitazene exhibits analyzed by DEA forensic laboratories came from Southwest Border states.

Nitazenes such as metonitazene, etonitazene, isotonitazene, and protonitazene are listed under Schedule I of the Controlled Substances Act (CSA) in the United States and are also internationally controlled. Other nitazene analogues have been temporarily or emergency-scheduled in Schedule I. Chemical suppliers – mainly located in China – introduce new nitazenes when the ones currently used become riskier to produce due to regulatory actions and drug scheduling, or users look for novel opioids that are not yet illegal. For example, DEA's National Forensic Laboratory Information System (NFLIS) identified four new nitazenes in drug exhibits submitted during 2023, represented by the green bar in Figure 10 (page 25).

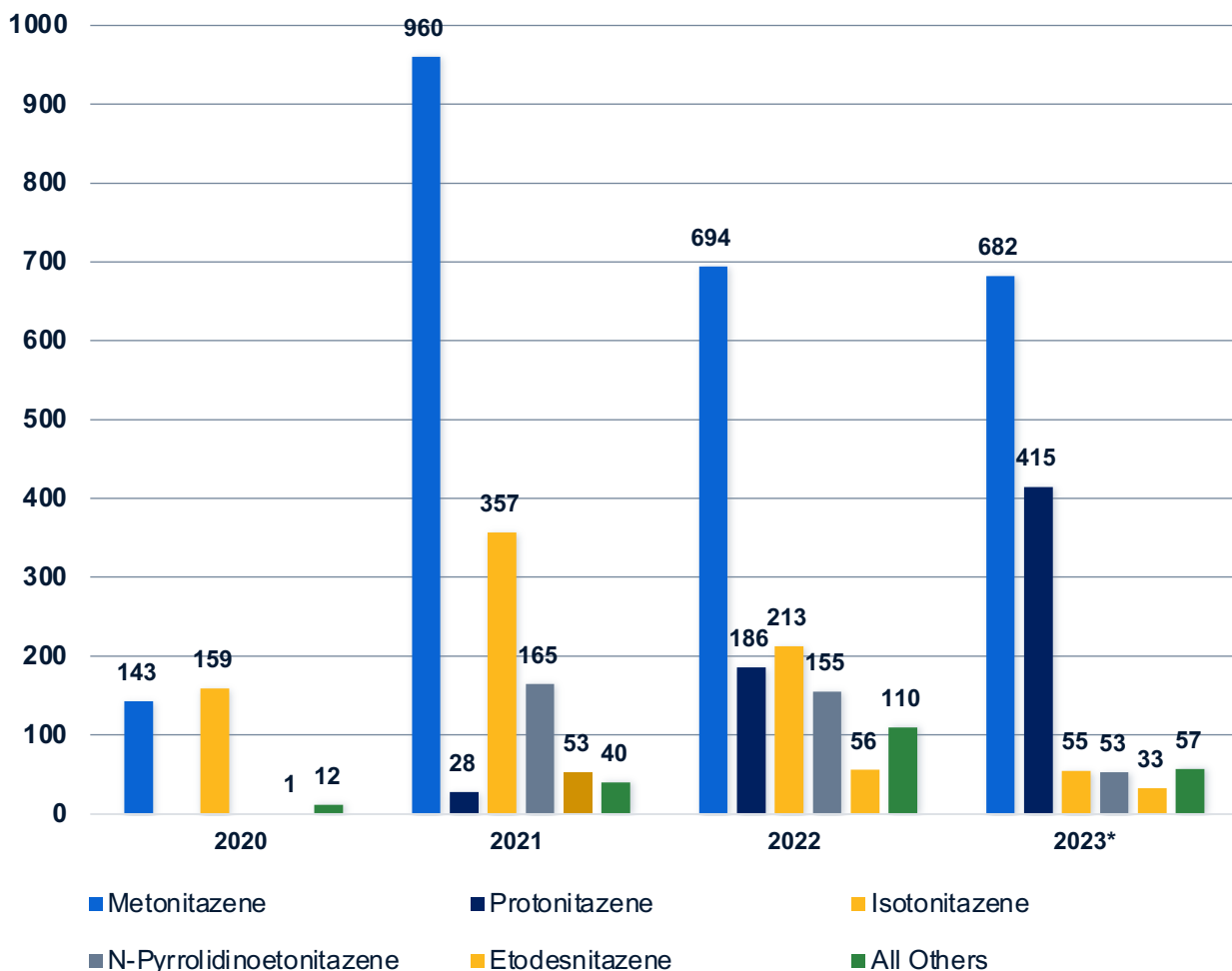
⁸ "Nitazenes" is a generic term for a class of benzimidazole-opioids. Although not true of all nitazenes, the potency of some forms is equal to or greater than morphine or fentanyl.



NITAZENES

Figure 10: Nitazene Detections by DEA Forensic Laboratories, 2020-2023*

NFLIS ENCOUNTERS WITH NITAZENES, 2020-2023*



*2023 data is preliminary and subject to change

Source: National Forensic Laboratory Information System, report retrieved January 5, 2024

XYLAZINE

OVERVIEW

Xylazine is not a synthetic opioid, but its growing prevalence in fentanyl mixtures complicates the reversal of opioid overdoses with naloxone and is responsible for widespread reports of injection site infections and necrosis (soft tissue death) resulting in amputations. [Note: Xylazine is a sedative, not an opioid. It is used as an anesthetic in veterinary medicine, primarily on large animals, and is approved by the U.S. Food and Drug Administration (FDA) only for veterinary use.] Xylazine is being added to fentanyl by drug traffickers, a mixture known as “tranq” in illicit drug markets, increasing the risk of death from fentanyl poisoning. Law enforcement mainly encounters xylazine in mixtures with fentanyl or other opioids, like heroin, but it has also been seen alone and in mixtures with cocaine and other illicit drugs. DEA forensic laboratories report that the number of heroin and fentanyl exhibits adulterated with xylazine is increasing and spreading outside traditional white powder heroin and fentanyl markets in the eastern United States, where xylazine has been present for several years. Xylazine is most prevalent in drug samples seized in New Jersey, Virginia, Ohio, Maryland, and Florida, but has been identified in seized drug samples in every U.S. state, plus the District of Columbia and Puerto Rico (see Figure 12, page 27).⁹

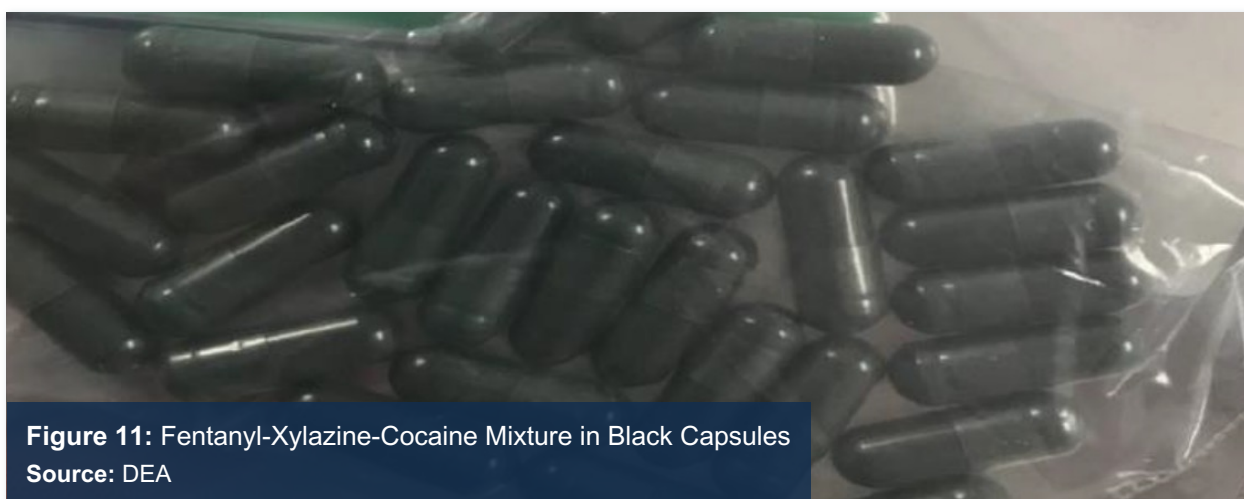


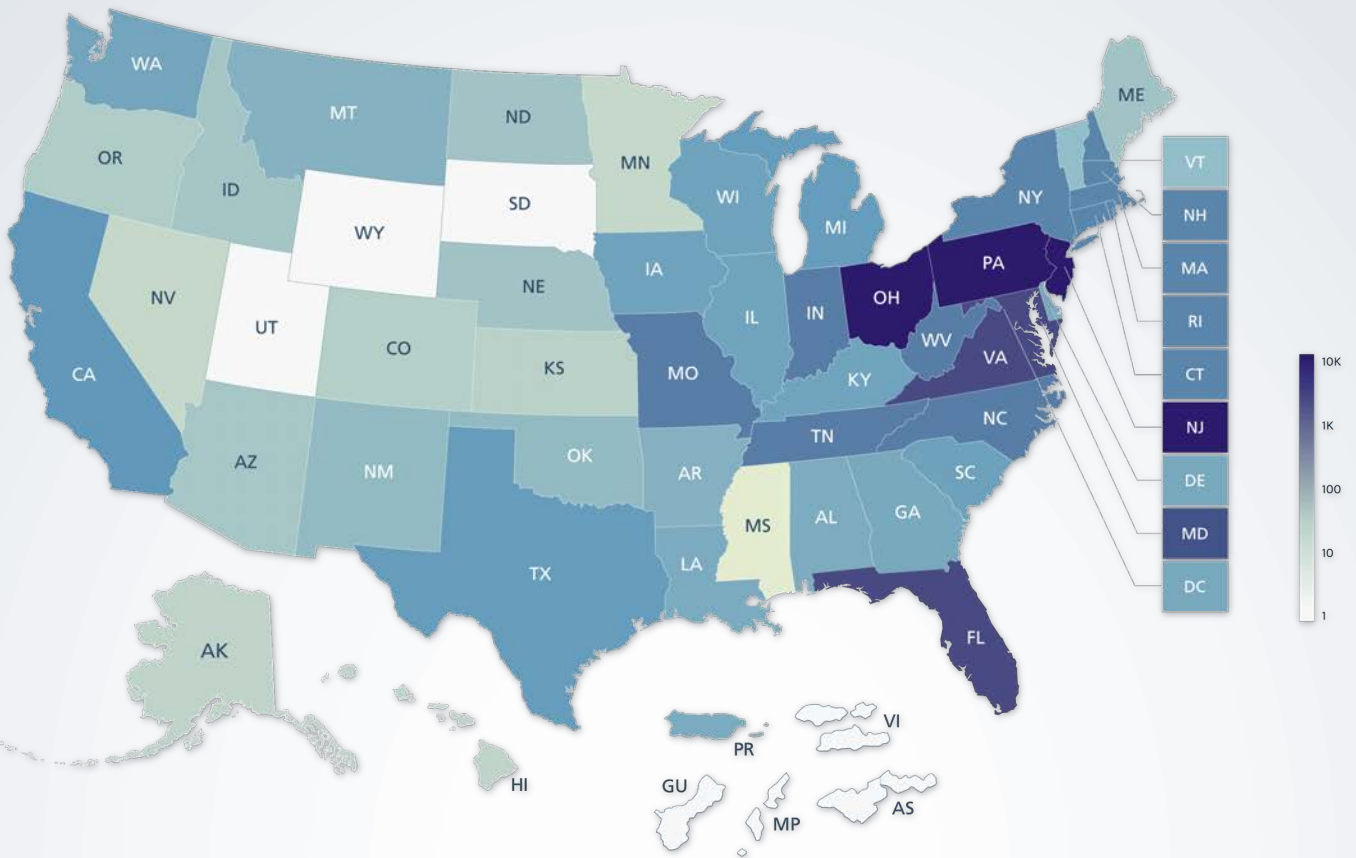
Figure 11: Fentanyl-Xylazine-Cocaine Mixture in Black Capsules
Source: DEA

⁹ “Drug samples containing xylazine have also been seized in Utah, Wyoming, and South Dakota, but were submitted to forensic laboratories that report into systems other than DEA’s NFLIS.”



XYLAZINE

Figure 12: States with Reported Seizures of Xylazine, 2023





Source: DEA National Forensic Laboratory Information System



XYLAZINE

Xylazine is mainly found in powder fentanyl exhibits but is also encountered in about five percent of the fentanyl pills submitted to DEA forensic laboratories (see Figure 13).

Figure 13: DEA Fentanyl Profiling Program Analysis of Xylazine Content in Fentanyl Samples, 2021-2023

FORM	YEAR	NUMBER OF FENTANYL SAMPLES CONTAINING XYLAZINE	PERCENTAGE OF TOTAL FENTANYL SAMPLES CONTAINING XYLAZINE
 PILL	2021	162	4.4
	2022	452	7.7
	2023	332	5.2
 POWDER	2021	1,241	19.0
	2022	1,847	24.3
	2023	2,067	27.3

Source: DEA Special Testing and Research Laboratory, query date April 26, 2024



Xylazine is making the deadliest drug threat our country has ever faced, fentanyl, even deadlier.

DEA Public Safety Alert March 2023

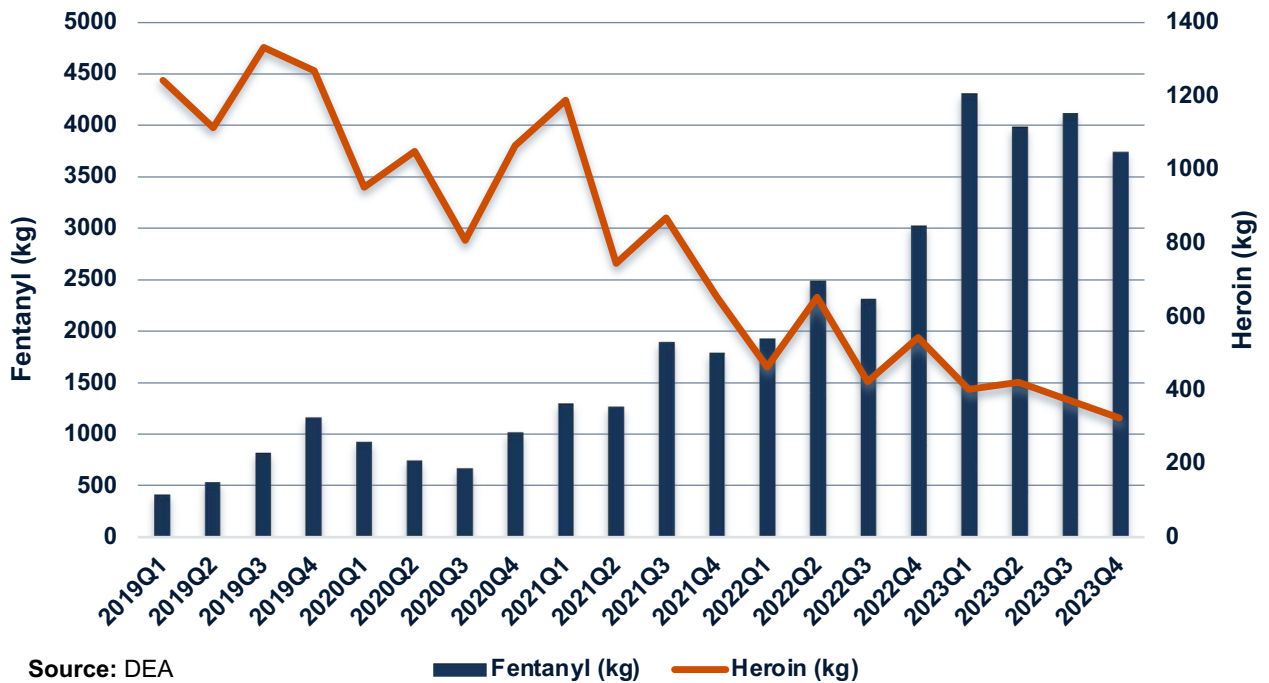


HEROIN

OVERVIEW

Figure 14: DEA Heroin and Fentanyl Seizures in the United States, October 2019 – December 2023 (1st Quarter FY2019 – 1st Quarter FY2024)

HEROIN AND FENTANYL DOMESTIC DRUG SEIZURES



Heroin seizures in the United States began declining steadily in direct contrast to a rapid acceleration in fentanyl seizures over the same time period. Heroin seizures decreased by almost 70 percent between 2019 and 2023, and fentanyl seizures increased by a staggering 451 percent over the same time period (see Figure 14).

In many U.S. drug markets, nearly all the heroin available at the street level is combined with or has been replaced by fentanyl. The change happened most quickly in markets where light-colored powder heroin is the norm because the two drugs look similar. Once the two drugs are combined, the fentanyl is virtually impossible to detect until the drugs are tested at a forensic laboratory, which helps to explain why law enforcement and public health officials continue to report that the heroin supply is stable even though seizures have dropped measurably.



HEROIN

Mexico is the main source country for the heroin sold in the United States,¹⁰ and the Sinaloa and Jalisco cartels are responsible for supplying the vast majority of that heroin. Heroin, either alone or in combination with fentanyl, is smuggled into the United States through Southwest Border entry points, most often in California. Cartel-linked wholesale dealers then traffic the heroin to mid-level and street-level dealers across the country, mainly using private vehicles or tractor-trailers.

More than three-fourths of the heroin-related deaths in the United States also involve fentanyl.

The mixing of heroin with fentanyl is the most dangerous and deadly aspect of the U.S. heroin market because some users remain unaware that most of the heroin is laced with or has been replaced by fentanyl. Whether the mixing happens in Mexico or at some other point in the distribution chain, CDC mortality data shows that heroin overdoses where fentanyl is present have increased year over year. According to January-June 2023 CDC reporting, heroin currently ranks fifth in drug-related deaths, behind fentanyl, methamphetamine, cocaine, and prescription opioids (see Figure 6). In the first six months of 2023, 82 percent of all heroin-related deaths involved fentanyl.

The Mexican cartels profit more from trafficking fentanyl than heroin.

Fentanyl is much more profitable for the cartels than heroin. Unlike fentanyl, heroin is a traditional plant-based opioid (derived from the opium poppy). Crop-based drugs are time-consuming and expensive to produce. Traffickers risk losing product to weather, government eradication operations, or a poor harvest, and the labor costs and logistics associated with harvesting the opium gum and moving raw material to clandestine labs are further deterrents. Fentanyl can be produced continuously, quickly, and efficiently, unimpeded by the challenges and risks associated with heroin production.

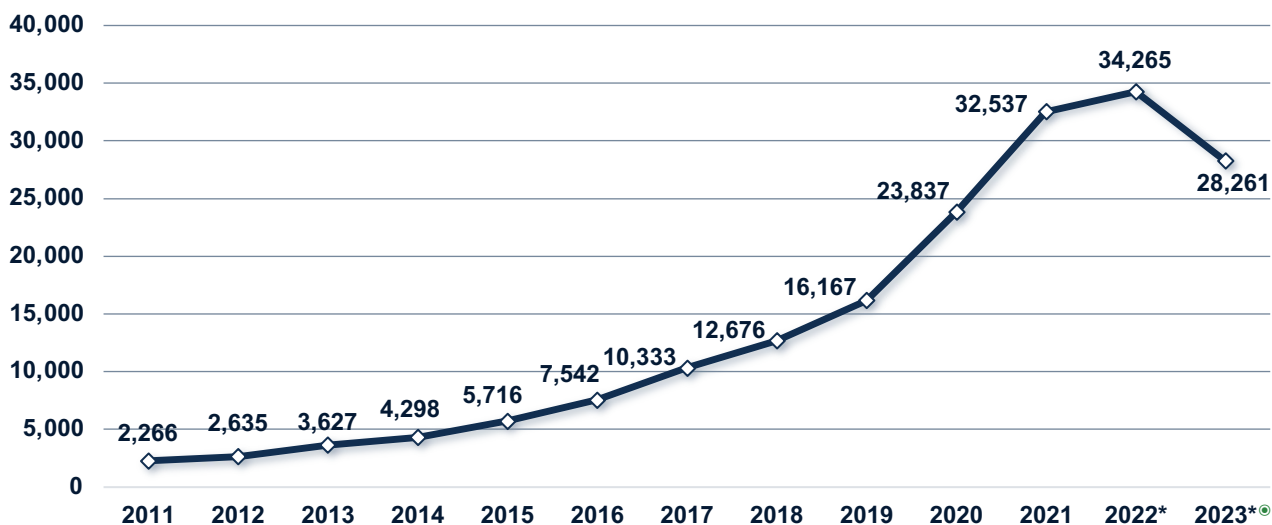
¹⁰ The DEA Special Testing and Research Laboratory's Heroin Signature Program (HSP) compiles the forensic analysis performed on a representative sample of heroin seizures in the United States. According to the 2022 HSP report, 79 percent of the program-tested heroin originated in Mexico. In 2022, more than half of the HSP samples – 53 percent – contained fentanyl, up from only 17 percent in 2018.



METHAMPHETAMINE

OVERVIEW

Figure 15: Psychostimulant-involved (Mostly Methamphetamine) Poisoning Deaths 2011-2022



*provisional data | ©CDC continues to receive 2023 data

Source: National Center for Health Statistics, Centers for Disease Control and Prevention

Thirty-one percent of the drug-related deaths in the United States are caused by psychostimulants¹¹ – mostly methamphetamine. In the first six months of 2023, more than 17,000 Americans died from overdoses and poisonings related to psychostimulants according to preliminary CDC figures – on track to exceed a record-high 34,265 fatalities in 2022 (see Figure 15).

Methamphetamine is a synthetic stimulant, made primarily in Mexico by the Sinaloa and Jalisco cartels who are the main suppliers of the methamphetamine sold in the United States. The cartels operate clandestine methamphetamine production labs throughout Mexico – using massive quantities of chemicals obtained mostly in China. Over the past two decades, the Mexican cartels have adapted their formulas to overcome restrictions on importing certain chemicals, and now produce ton quantities of very pure, very potent crystal methamphetamine. Methamphetamine production in the United States, on the other hand, is now at its lowest point in 20 years. In 2004, DEA’s El Paso Intelligence Center (EPIC) documented 23,700 clandestine methamphetamine lab seizures in the United States. By contrast, law enforcement reported only 60 lab seizures in 2023.

¹¹ The CDC classifies methamphetamine and related drugs as psychostimulants. This class includes drugs like amphetamines, MDMA, and cathinones, but nearly all fatalities in this class of drugs are methamphetamine-related.



METHAMPHETAMINE

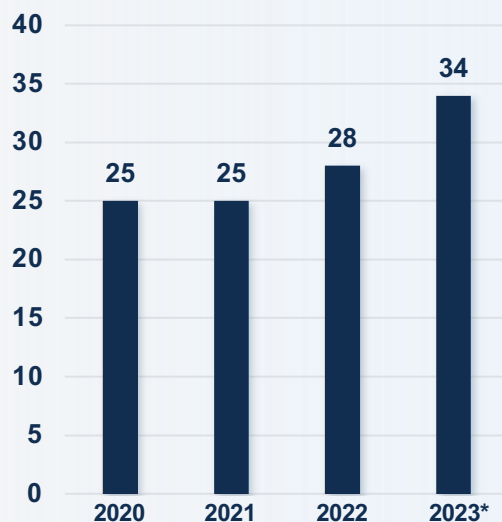
The Sinaloa and Jalisco cartels traffic methamphetamine into the United States through the same routes and Southwest Border entry points they use to smuggle fentanyl and other drugs. Cartel-linked traffickers use many methods to transport and conceal methamphetamine, including human couriers, commercial flights, parcel services, and commercial buses.

Smuggling in tractor-trailers and privately-owned vehicles remain the most common methods, with methamphetamine concealed inside tires, within natural voids in the body of the vehicle, or in the vehicles’ fuel tanks. Methamphetamine in solution¹² can be concealed in gas tanks or extra gas containers, wiper fluid receptacles, or within other vehicle fluids – or not concealed at all and carried in water or other beverage bottles.

Smuggling methamphetamine in solution is a common transportation and concealment technique used by the Mexican cartels.

Smuggling methamphetamine in solution makes it easier to conceal and therefore more difficult to detect. However, methamphetamine in solution is not a useable form of the drug – a “conversion lab” is required to extract the methamphetamine and return it to a crystal or powder form. Law enforcement seizures of methamphetamine in solution and the conversion labs used to re-crystallize the methamphetamine have increased incrementally year over year (see Figure 16). Methamphetamine conversion labs typically use a heat source to evaporate the liquid, but the process can be accomplished by simply pouring the liquid onto a large flat surface to dry. According to EPIC reporting, there were 34 clandestine conversion lab seizures in 2023, a slight increase over the two previous years

Figure 16: Methamphetamine Conversion Lab Seizures, 2020-2023*



*2023 data is preliminary and subject to change

Source: El Paso Intelligence Center/National Seizure System, report retrieved January 5, 2024

¹² As described in the fentanyl section, methamphetamine does not dissolve easily and tends to remain “suspended” in the liquid used to carry it. Because of this, forensic chemists use the terms “methamphetamine in solution” or “methamphetamine in suspension” rather than “liquid methamphetamine.”

METHAMPHETAMINE

Despite some restrictions in Mexico on precursor chemicals, Mexican cartels continue to adapt by finding alternative methods of manufacturing methamphetamine, using uncontrolled precursor chemicals and altering shipping methods.

The Sinaloa and Jalisco cartels have moved away from heavily restricted precursors in favor of chemicals that are less strictly controlled and easier to obtain, mainly involving the precursor phenyl-2-propanone (P2P). As with the chemicals used in making fentanyl, methamphetamine precursor chemical shipments originating from China are disguised through deliberate mislabeling, shipping to legitimate or front companies in Mexico or Central America who then re-ship the chemicals to Mexico, and diversion from other legitimate industries for smuggling to clandestine labs in Mexico. According to the DEA Special Testing and Research Laboratory's Methamphetamine Profiling Program, nearly all of the seized methamphetamine samples – 99.4 percent – analyzed in the second half of 2022 were produced using some variation on the P2P production method, 72 percent of which used the P2P precursor phenyl-acetic acid (PAA).

Mexican cartels are exploiting the prescription stimulant market by manufacturing methamphetamine in pill form.

The introduction by the Sinaloa and Jalisco cartels of methamphetamine in pill form shows the determination of drug trafficking organizations to make methamphetamine appealing to non-traditional users, particularly to individuals who misuse prescription drugs but tend not to participate in other illicit drug use. Methamphetamine in tablet form usually mimics legitimate prescription pills, especially Adderall (see Figure 17), or is plain white like an unbranded (generic) medication. Other methamphetamine pills are made in colors and logos to resemble MDMA tablets. Fake pills containing methamphetamine and using prescription pill trademarking attract users by replacing a more expensive or harder-to-get product with a cheaper alternative – one that is often advertised and sold through social media platforms and messaging apps rather than on the street, and often to users who do not know the pills contain methamphetamine. The presence of fake trademarked Adderall pills and fake MDMA pills containing methamphetamine increases the risk of unintentional drug poisonings.

Figure 17: Prescription Adderall (top) and a Fake Adderall Pill Containing Methamphetamine (bottom)



Source: DEA

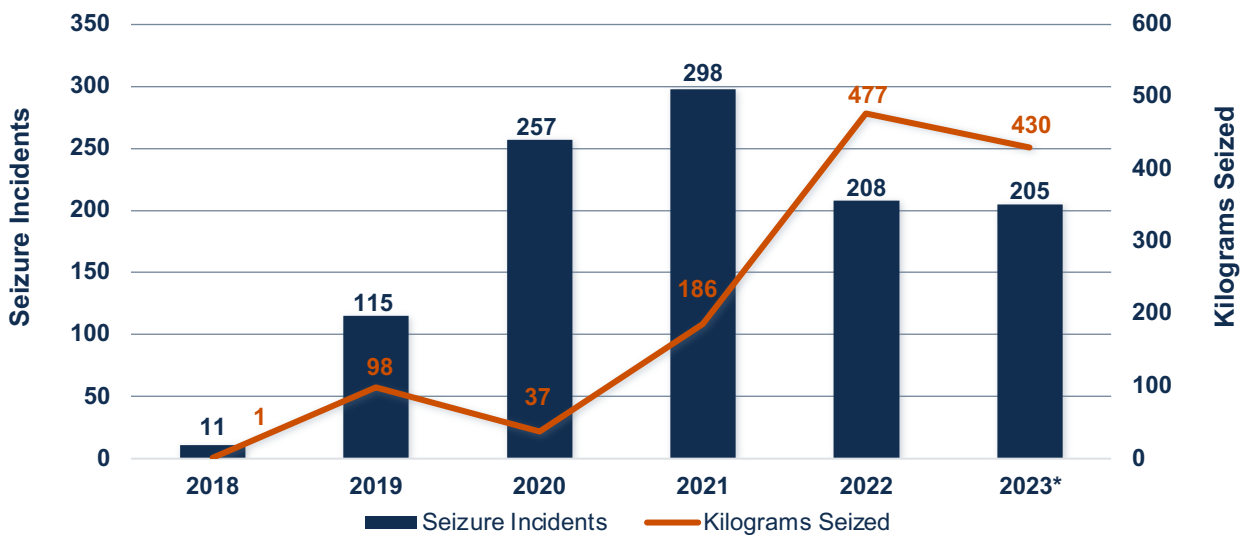


METHAMPHETAMINE

In the past two years, the quantity of methamphetamine pills seized has gone up while the raw number of seizures has gone down, according to EPIC reporting (see Figure 18). This trend shows that methamphetamine tablets are being trafficked in higher quantities per shipment, indicating it is no longer a novelty, but an established and accepted form of the drug.

Figure 18: Methamphetamine Seized in Pill Form by Number of Seizures and Total Kilogram Weight, 2018-2023

METHAMPHETAMINE DOMESTIC DRUG SEIZURES*



Source: El Paso Intelligence Center/National Seizure System *2023 data is preliminary and subject to change

The number of methamphetamine-related drug overdoses in which fentanyl was also a factor is a growing concern.

Both methamphetamine and fentanyl are dangerous and potentially deadly on their own, but the deliberate use of opioids and stimulants together by illicit drug consumers, either for recreational purposes or to co-manage the negative effects of each, and the increased use of methamphetamine laced with fentanyl by unknowing users, is leading to increased numbers of fatal drug overdoses attributed to “mixed toxicity.” Drug traffickers lacing methamphetamine with fentanyl is less common than the practice of lacing cocaine with fentanyl, but the combination presents the same risk of drug poisoning to users who are not aware they are taking fentanyl because methamphetamine users do not have the tolerance of a habitual opioid user.



COCAINE

OVERVIEW

Cocaine trafficking and abuse have been persistent threats in the United States for over 40 years. The Sinaloa and Jalisco cartels largely control the cocaine trafficking corridors from South America into Mexico, and from Mexico into the United States. The Mexican cartels obtain multi-ton shipments of powder cocaine and cocaine base from South American traffickers, then smuggle it through land routes or coastal waterways in Central America, or by sea to Caribbean islands like Puerto Rico and the Dominican Republic, before bringing it into the United States. Once in the United States, U.S.-based criminal groups and street gangs distribute the cocaine, some of which is converted to crack at the local level.

Colombia is the principal source country for cocaine seized in the United States, but cocaine is also produced in Peru and Bolivia. The DEA Special Testing and Research Laboratory's Cocaine Signature Program (CSP) conducts an analysis of cocaine exhibits obtained from multi-kilogram seizures made throughout the United States. In 2022, the CSP determined at least 97 percent of the samples originated from Colombia, with Peru and Bolivia as the origin for the remaining three percent. According to the CSP, cocaine purity levels in the United States remain high, averaging 84 percent.

Fatalities involving cocaine are increasing.

Cocaine-related overdoses and annual cocaine seizures have opposing trend lines: overdoses are rising as the amount of cocaine seized is falling because most of the fatalities cannot be blamed on the use of cocaine alone.

Cocaine was involved in 15,025 overdose deaths in the first six months of 2023, according to provisional CDC data. Cocaine-related deaths have increased every year since 2015, many driven by the fentanyl poisoning of cocaine users who did not know the cocaine was laced with fentanyl. Cocaine users are at a greater risk for drug poisoning from accidental ingestion of fentanyl because they do not have the tolerance of a habitual opioid user. In some parts of the United States, at least two-thirds of the cocaine-related deaths also include findings of fatal levels of an opioid – usually fentanyl. DEA and public health reporting on the rising trend of illicit drug consumers purposely using both stimulants and opioids – for example, cocaine and fentanyl – is a growing concern.



COCAINE

COCA CULTIVATION IN MEXICO

Mexican cartels, especially the Jalisco Cartel, are looking to cultivate coca crops and produce their own cocaine from start to finish, which – if successful – would give them much higher profits than having to buy cocaine from South American traffickers. Consulting with Colombian coca growers and cocaine producers, Mexican cartels have cultivated coca and produced cocaine in Mexico, but on a very small scale and with much lower purity. Limited DEA forensic analysis shows that Mexico-origin coca leaf yields significantly less potential cocaine per crop than the varieties of coca leaf grown in South America.

However, some gains are clearly being made coca cultivation and cocaine production in Mexico was previously thought to be improbable because of differences in soil, climate, and elevation, in addition to the Mexican cartels' lack of experience with coca cultivation and cocaine production.



MARIJUANA

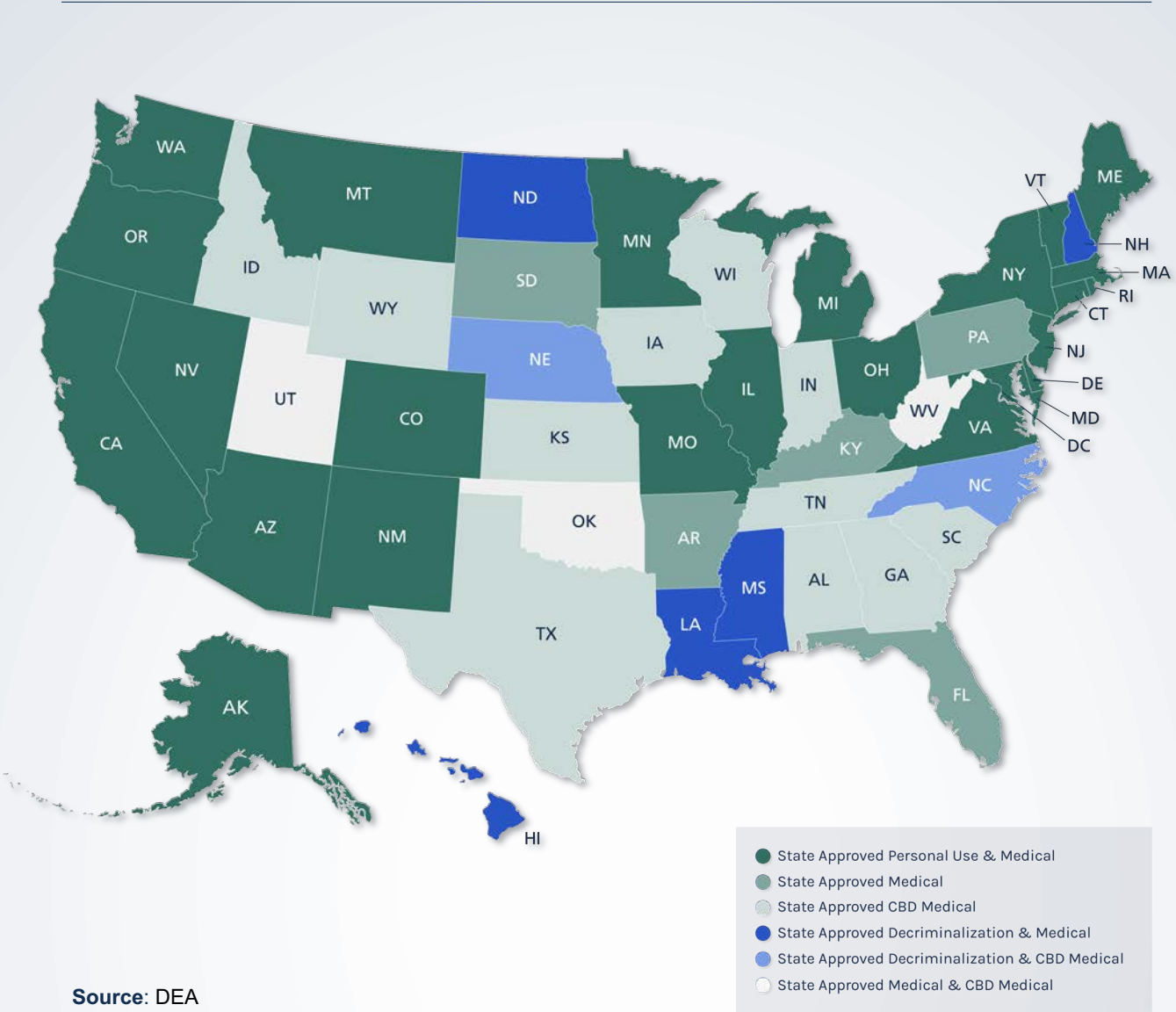
OVERVIEW

The main suppliers of marijuana to U.S. markets are cannabis growers and processors operating inside the United States. Marijuana remains illegal at the federal level; it has been “legalized” or “decriminalized” at the state level for recreational use in 24 states and the District of Columbia, and for “medical” use in 38 states and the District of Columbia, as of January 2024 (see Figure 19, on page 38). Delaware, Minnesota, and Ohio are the most recent states to “legalize” marijuana for recreational use. Despite these measures, the black market for marijuana continues, with substantial trafficking by Mexican cartels, and Chinese and other Asian organized crime groups profiting from illegal cultivation and sales, as well as exploitation of the “legal” market. The price of marijuana in illegal U.S. markets has remained largely stable for years, even as the potency of marijuana has increased exponentially.



MARIJUANA

Figure 19: State-approved Marijuana Status, January 2024



Source: DEA

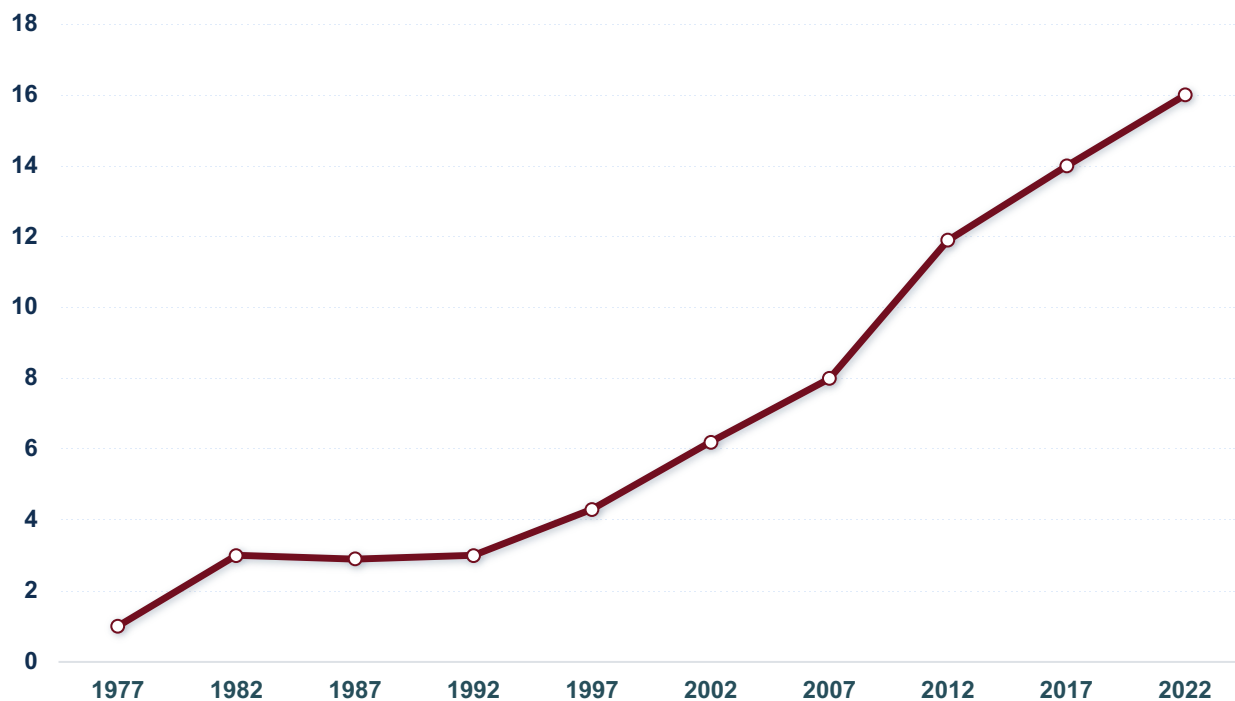


MARIJUANA

NOTABLE TRENDS

Marijuana Potency

Figure 20: Average Delta-9 THC Potency in Marijuana, 1977-2022



Source: University of Mississippi Marijuana Potency Monitoring Program █ Delta-9 THC in Plant Material

The active ingredient in marijuana, THC,¹³ is a hallucinogen. The potency of THC in leafy marijuana is at an all-time high, increasing the potential risk of negative effects on users of any form of the drug, and on children who may consume edibles made with these substances. Data from the University of Mississippi’s Marijuana Potency Monitoring Program indicates that THC potency in leafy marijuana averaged around 16 percent in 2022, a 29 percent increase from samples tested in 2021, and many times higher than found in marijuana in past decades (see Figure 20).

¹³ Delta-9-tetrahydrocannabinol (THC)



MARIJUANA

Asian Organized Crime Involvement in Marijuana Cultivation

Black-market marijuana cultivation, processing, and trafficking is expanding, as criminal organizations exploit loopholes in the laws and regulations governing the marijuana “industry” to establish large cultivation sites and reap huge profits from the sale of marijuana and other THC products. In recent years, there has been a notable uptick in the number of illicit marijuana cultivation sites linked to Chinese and other Asian organized crime groups. Asian investors have emerged as a new source of funding for illegal marijuana production in the United States, and site owners, eager to protect and oversee those investments, have been encountered at illegal grows seized in Oklahoma, California, Oregon, and Maine. Asian drug trafficking organizations have been involved in illegal marijuana cultivation for decades, operating industrial-scale indoor marijuana grows in residential homes, primarily in the western United States. Many of these home-grows pretend to operate under business registrations granted by state licensing authorities in jurisdictions where marijuana cultivation and sales are “legal” at the state level but, absent overt evidence such as the trafficking of marijuana across state lines or the commission of non-drug crimes such as money laundering and human trafficking, it can be difficult for law enforcement to immediately identify violations or discover an illegal grow. Across jurisdictions with a state-level “legal” framework for cultivation and sales, Asian drug trafficking organizations defy restrictions on plant quantities, production quotas, and non-licensed sales, and hide behind state-by-state variations in laws governing plant counts, registration requirements, and accountability practices. In January 2024, a federal jury in the Western District of Oklahoma convicted two Chinese nationals of drug trafficking conspiracy connected to trafficking nearly 28 tons of black-market marijuana shipped from an Oklahoma grow facility licensed by the Oklahoma Medical Marijuana Authority.

Chinese and other Asian drug trafficking organizations collect millions of dollars in illicit drug proceeds from cultivating and trafficking marijuana and the money is used to fund other criminal activities, to include trafficking in other drugs, money laundering, and human trafficking. The traffickers and investors also protect their illicit marijuana cultivation sites through violence. Booby traps and weapons are found at most outdoor grow sites to discourage intrusion by wildlife, law enforcement, and thieves. Victims of human trafficking are coerced, often abusively, to work at both indoor and outdoor grow sites for little or no pay.

DEA’s Dallas Division Seized Over \$2.8 Million Linked to Marijuana Site Operated by Chinese Organized Crime Group

On August 8, 2023, the DEA Dallas Division, along with several local law enforcement agencies and the Internal Revenue Service, executed eight search warrants on residential and business locations associated with four Chinese nationals who were trafficking marijuana into the Dallas/Ft. Worth metroplex from a grow operation in Oklahoma. The warrants netted more than \$2.8 million, in addition to firearms and marijuana.

MARIJUANA

THC edibles are leading to an increase in child and adolescent admissions to Emergency Rooms.

THC-infused products closely resembling candy, snacks, or cereal are responsible for thousands of medical emergencies in children. A study published in January 2023 in the journal Pediatrics reported that over a five-year period (2017-2021), accidental cannabis exposure in children younger than 5 years of age had increased 1,375 percent. Of the more than 7,000 cases analyzed, 87 percent of the exposures occurred in the child’s own home. Approximately one-third of pediatric patients required emergency medical treatment in a hospital, but nearly 600 children required advanced treatment in a critical care unit.

The FDA issued warning letters for products containing delta-8 THC¹⁴ in May 2022. As a result, THC-infused products now often contain a warning label stating that the product has not been analyzed or approved by the FDA and is not safe for children. The concern remains that children will unknowingly eat THC-infused products, regardless of warning labels, because the products mimic the taste and appearance of the actual product, and the packages look nearly identical to the legitimate product’s packaging (see Figure 21).



Figure 21: Products Containing Delta-8 and Delta-10 THC, April 2023

Source: Lancaster County Drug Task Force (Lancaster, PA)

Illegal marijuana cultivation results in environmental damage and crimes.

Illegal outdoor marijuana grows, usually found on public lands, use toxic fertilizers and pest repellants that endanger non-pest wildlife, damage surrounding plants, and seep into water supplies. These sites are mainly located in remote, difficult-to-access areas and can be expensive for cultivators to maintain but are also challenging for law enforcement to detect and eradicate. Indoor grows can operate year-round and offer the drug traffickers a continuous profit stream but can severely damage the homes where the grows are established, creating health and safety hazards to first responders. Both indoor and outdoor grows also require abnormal amounts of water and electricity, which are often stolen or diverted from public utilities. This practice significantly raises legitimate consumer costs and increases the risk of fires because of overloaded transformers and lack of water.

¹⁴ Delta-8 THC is a hemp-derived cannabinoid that is federally legal under the 2018 Farm Bill but is synthesized from cannabidiol (CBD) and not from the plant itself. Delta 8-THC is also legal in 23 states and the District of Columbia, legal with regulations/restrictions in 10 states, and banned in 17 states.



CONTROLLED PRESCRIPTION DRUGS (CPDs)

OVERVIEW

Controlled prescription drugs (CPDs) are the fourth leading cause of fatal drug poisonings in the United States. CPDs are supposed to be available only by prescription, but many prescription drugs are obtained illegally through fraud or “doctor shopping,” shared among friends or family members, or purchased illegally on the street, over social media and messaging apps, and online. The most-misused CPDs are amphetamine products, like Adderall; narcotic pain relievers, like Percocet, OxyContin (both oxycodone), and Vicodin (hydrocodone); and sedatives, like Xanax (see Figure 22). DEA encourages the public to remove unneeded medications from their homes as a measure of preventing medication misuse and opioid addiction from ever starting.

Figure 22: Results of the 2022 NSDUH on the Top Ten Most Misused CPDs

DRUG TYPE	COMMON OR TRADEMARK NAME* <i>*Most of These Substances Come in Generic Form</i>	CATEGORY
Amphetamine	Adderall, Vyvanse, Ritalin, Concerta, Dexedrine	Stimulant
Hydrocodone	Vicodin, Lortab	Pain Reliever
Alprazolam	Xanax	Tranquilizer
Oxycodone	Percodan OxyContin, Percocet, Endocet, Roxicodone, Roxicet	Pain Reliever
Codeine	Morphine methyl ester, methyl morphine	Pain Reliever
Tramadol	Tramadol	Pain Reliever
Buprenorphine	Buprenex, Temgesic, Subutex, Suboxone	Pain Reliever
Clonazepam	Klonopin, Clonopin	Tranquilizer
Lorazepam	Ativan	Tranquilizer
Diazepam	Valium, Diastat	Tranquilizer

Source: National Survey on Drug Use and Health (2022), DEA Drugs of Abuse (2022 Edition)



CONTROLLED PRESCRIPTION DRUGS (CPDs)

Fraud related to electronic prescriptions is increasing.

DEA investigators observed an increase in fraudulent electronic prescriptions (e-scripts) between 2021 and 2023. DEA registrants are reporting fraudulent use of their registration numbers and identities on prescriptions submitted via e-script in locations across the country. The further expansion of online telehealth services and e-script portals during the COVID-19 pandemic presented increased opportunities for e-script abuse by patients or office staff, and through identity theft.

Stimulant prescription drug shortages began in 2022.

In October 2022, the FDA declared a shortage of “immediate release amphetamine mixed salts” products (for example, Adderall). A review of DEA data showed that, in 2022, manufacturers did not produce the full amount permitted by DEA limits, also known as quotas, resulting in a shortfall of one billion doses. This shortage coincided with a significant increase in the prescribing of stimulants, mainly for the treatment of attention-deficit/hyperactivity disorder. The overall dispensing of stimulants in the United States has increased by 58 percent over the past ten years, with the greatest increases occurring among adults while remaining stable or declining among children and adolescents.

Millions of opioids are stolen or lost every year, but the situation is improving.

The DEA Theft/Loss Reporting Database (TLR) reveals that the number of unaccounted-for narcotic prescription drugs (opioids) in 2022 was at its lowest level in 12 years and continued to decline into the first nine months of 2023 (see Figure 23). CPDs are lost through employee theft (or suspected), disaster (fire, weather, etc.), hijacking of transport vehicles, accidental breakage/spillage, robberies, break-ins/burglaries, and other causes.

Figure 23: Unaccounted-for Opioid Narcotics, 2010 – September 2023 (in Millions)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
12.5	19.5	13.1	11.6	12.4	9.8	9.7	9.4	7.0	6.1	7.8	6.7	5.3	4

Source: DEA Office of Diversion Control/Theft and Loss Reporting System

Burglaries and break-ins accounted for the highest number of unaccounted-for opioid dosage units in 2022-2023. Of note are recent pharmacy burglaries where individuals exploited vulnerabilities in pharmacy security systems. The number of robberies of CPDs reported by registrants to the TLR continues to trend downward, interrupted briefly by a spike during the pandemic. [Note: The crime is classified as a burglary/break-in if it is committed after-hours (at a business) or at a time when people are not expected to be present (at a home); it is categorized as a robbery, armed or not, if it occurs when people are present.]



NEW PSYCHOACTIVE SUBSTANCES (NPS)

OVERVIEW

New Psychoactive Substances (NPS), many of which are unregulated, are a diverse group of synthetic substances designed to have effects similar to controlled substances. Users seek drugs in this category to attain a high equivalent to an illegal drug, or because they believe they can self-treat a physical or mental illness. Drug traffickers seek these drugs to skirt the law and diversify their profits.

Several of these “novel” drugs have actually been around for decades but experience periodic surges in popularity or return to the illegal drug market with tweaks after the original similar substance was banned or controlled. NPSs include phenethylamines (MDMA, ecstasy, molly); ketamine; synthetic cannabinoids (K2, spice); synthetic cathinones (bath salts); phencyclidine-type substances (PCP); tryptamines (AMT, foxy); aminoindanes (MDAI gold); and piperazines (A2, Pep X). Various plant-based substances also fall into this category, such as psilocybin (mushrooms); ayahuasca; salvia divinorum (Magic Mint, Sally D) and khat (qat, chat, Abyssinian Tea). According to DEA forensic laboratory reporting, the top three NPS groups are phenethylamines, synthetic cannabinoids, and synthetic cathinones – all of which have forms that are controlled in Schedule I of the CSA.

NOTABLE TRENDS

Phenethylamines

Phenethylamines are hallucinogenic stimulants, and have been encountered as powders, liquids, laced on edible items, and soaked onto blotter papers. Ecstasy and molly (pill and powder forms of MDMA, respectively) are the most common types of phenethylamines, but similar substances go by the street names N-bomb and Smiles. The ingestion of very small amounts of these drugs can result in seizures, cardiac and respiratory arrest, and death. Over the last five years, there have been approximately 39,000 phenethylamine submissions to DEA forensic laboratories, but submissions have decreased by 20 percent in each of the last two years.



NEW PSYCHOACTIVE SUBSTANCES (NPS)

NOTABLE TRENDS CONTINUED

Synthetic Cannabinoids

Synthetic cannabinoids are lab-made drugs that are chemically similar to the psychoactive components found in the cannabis plant, though they usually produce very different effects. Products sold as synthetic cannabinoids often contain several chemicals in different concentrations, making it difficult to determine substance-specific effects. Some synthetic cannabinoids are federally controlled, and several state and local governments have passed legislation targeting the synthetic cannabinoids not covered by federal law. Synthetic cannabinoids are mainly laced on plant material for smoking or consumed in liquid form and packaged in bags with bright logos under names like Joker, Green Giant, and Scooby Snax. They are mainly sold online, in “head shops,” tobacco/vape stores, convenience stores, and gas stations.

Submissions of synthetic cannabinoids to DEA forensic laboratories are trending down. Using synthetic cannabinoids can cause severe agitation, anxiety, racing heartbeat, high blood pressure, intense hallucinations, and psychotic episodes. Synthetic cannabinoids have also been connected to drug poisoning deaths, nearly always spiking in warm weather months as the adverse health effects are exacerbated by higher temperatures and the increased potential for dehydration.

Synthetic Cathinones

Synthetic cathinones, more commonly known as bath salts, are stimulants that produce effects similar to methamphetamine, cocaine, and MDMA. Drug poisonings and overdoses have occurred with synthetic cathinones, and users can experience symptoms such as nausea, vomiting, paranoia, hallucinations, delusions, suicidal thoughts, seizures, chest pains, increased heart rate, and violent outbursts. Eutylone and dipentylone are the most frequently encountered synthetic cathinones, but they are mainly sold as ecstasy. The synthetic versions are chemically related to cathinone, a substance found naturally in the khat plant, a shrub grown in East Africa and the Arabian Peninsula where users chew its leaves or brew them into tea for mild stimulant effects similar to caffeine.

Synthetic cathinones, however, can be much more potent than the natural forms. China-based online vendors are the main source for synthetic cathinones, but they are also sold at convenience stores, tobacco/smoke shops, and gas stations and, like synthetic cannabinoids, are frequently packaged in bags with bright logos. Recently, the synthetic cathinone market has been pushed underground, being sold in “traditional” drug packaging like small unmarked baggies, and can be found in tablet, capsule, or powder form. Submissions of synthetic cathinones to DEA forensic laboratories have been trending downward for the past five years.



ILLCIT FINANCE

OVERVIEW

The Sinaloa and Jalisco cartels, and other global criminal networks, generate billions of dollars in profits from the sale of illicit drugs. Drug traffickers use fraud and deception to circulate the money through U.S. and global financial systems to enrich themselves, and to continue funding their illegal drug trafficking operations. In 2022, DEA investigations led to the seizure of hundreds of millions of dollars in assets that went through U.S. asset forfeiture proceedings – assets that included millions of dollars in bulk cash that the Mexican cartels attempted to introduce discreetly into the legitimate financial system, as well as financial instruments (such as stocks, bonds, cryptocurrency, stored value cards), real estate, and luxury items.

Most drug trafficking organizations outsource the “cleaning” of illegal drug profits to criminal money launderers and brokers who can provide quick, up-front payouts to the traffickers while taking on themselves the tedious process of infiltrating illicit cash into financial institutions from within the United States. These money launderers usually do not work for one specific cartel; rather, they accept money laundering contracts from multiple criminal organizations, not all of them drug traffickers, and use laundering networks that can span several countries.

Methods by which illicit proceeds are laundered include:

- Chinese underground banking systems, which sprung up in response to the Chinese government’s attempt to curb capital flight (assets being taken out of China and reinvested in foreign countries) as a way for Chinese nationals to convert cash assets in China into U.S. assets;
- trade-based money laundering, in which consumer goods are purchased in one country for the equivalent cash value of the money to be laundered, and then resold;
- mirror transfers, an informal system in which a broker in one country makes an upfront payout to the criminal organization and receives the equivalent amount from another criminal broker;
- cryptocurrency exchanges, in which a broker accepts bulk cash in exchange for transferring an equivalent sum in cryptocurrency to a digital wallet owned by the drug trafficking organization; and
- simple bulk cash smuggling.

Leader of \$25 Million International Money Laundering and Drug Conspiracy Pleads Guilty

In September 2023, Jin Hua Zhang of Staten Island, New York pled guilty to money laundering charges. The defendant also distributed kilograms of cocaine and MDMA in Massachusetts. First discovered in Boston, Zhang’s money laundering organization and its members were later detected in locations across the United States and internationally. Investigators determined that Zhang’s network laundered funds for drug traffickers, internet scammers, and other criminal groups. In one year alone, Zhang’s organization laundered more than \$25 million in drug money and other illicit profits. Zhang’s network has been traced to Hong Kong, China, Cambodia, India, Brazil, and other locations



ILLICIT FINANCE

NOTABLE TRENDS

Chinese Underground Banking Systems

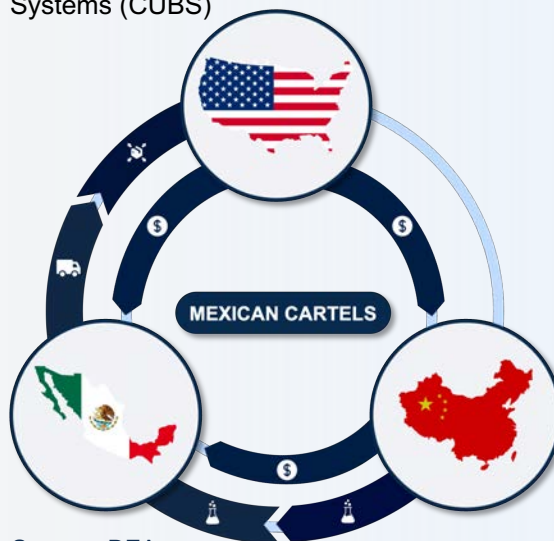
Money brokers who operate within the China-based underground banking systems (CUBS) increasingly act as money launderers for Mexico- and South America-based drug trafficking organizations in order to maintain liquidity in the CUBS. Chinese nationals use these underground banking systems to surreptitiously convert their cash assets in China into equivalent cash assets in the United States. Chinese nationals and companies are not permitted, under current banking regulations in China, to buy more than the equivalent of \$50,000 in foreign currency or invest more than that amount in foreign countries (“capital flight”).

Money processors who work for CUBS brokers collect cash from transnational drug traffickers operating in the United States. They use the cash collected from drug traffickers to benefit the China-based clients of the CUBS broker who are attempting to circumvent China’s capital flight laws. The cash is structured into U.S. accounts for individuals, shell companies, or cash-based businesses. The CUBS brokers then arrange for their money processors in Mexico or South America to pay cash directly to the drug trafficking organization. CUBS brokers also arrange for their China-based clients to make intra-China money transfers to accounts used to purchase trade goods which are then exported to Mexico and South America on behalf of drug traffickers.

United States v. Jianxing Chen, Xizhi Li, et al.

In May 2023, Belize-based money launderer Jianxing Chen (aka John Chen) pled guilty to U.S. Department of Justice money laundering charges. From Belize, Chen organized networks of cash couriers and money processors who collected millions of dollars of cash drug proceeds in Chicago, Houston, Los Angeles, New York, and Atlanta. Over many years, Chen and one of his co-defendants, Xizhi Li (aka Juan Lee, John Lee) laundered this cash into U.S. accounts with beneficiaries in mainland China and coordinated the transfer of money from Mexico-based money processors or China-based clients into the hands of Mexico-based drug traffickers for very low fees.

Figure 24: Relationships Between Mexican Cartels and Chinese Precursor Chemical Suppliers and Chinese Underground Banking Systems (CUBS)



Source: DEA



ILLICIT FINANCE

Cryptocurrency

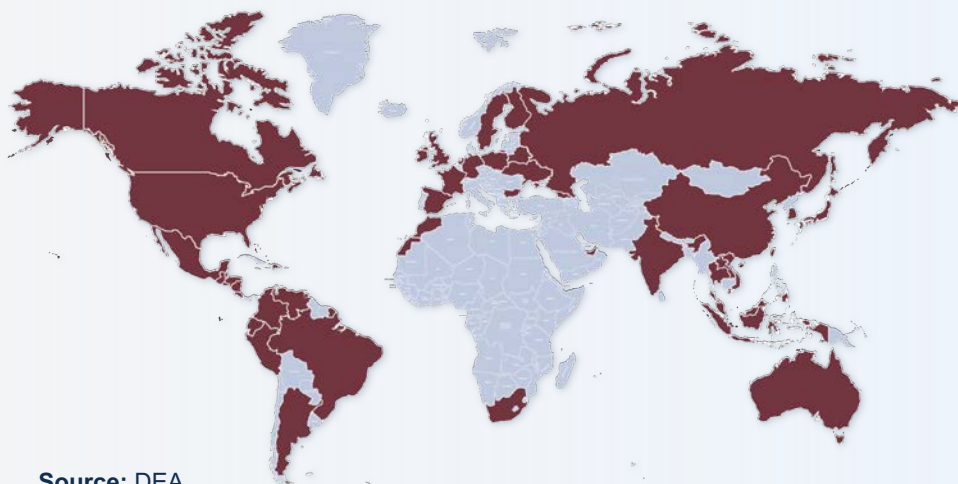
Mexican cartels and other drug trafficking organizations increasingly use cryptocurrency to launder drug proceeds. Cryptocurrencies are highly advantageous to drug trafficking organizations because they can be used to transfer value across international borders without relying on banks, and because these transfers leave no paper trail beyond the blockchain, which is encrypted. Money launderers who own cryptocurrency collect bulk cash from drug traffickers and transfer cryptocurrency to the drug traffickers in return. Drug traffickers can immediately transfer the cryptocurrency to their counterparts in Mexico or other countries where it is usually resold for local currency. The ultra-encrypted nature of these transactions, and difficulty in tracing them absent the trafficker’s “key,” makes it nearly impossible to measure the scope of the money laundering activity occurring in the cryptocurrency space.

Drug traffickers also launder their drug proceeds through cryptocurrency exchange companies, which are required by U.S. law to monitor customers and transactions for indications of money laundering. Drug traffickers make structured deposits of cash into bank accounts which are used to purchase cryptocurrency through online exchanges. Once cash drug proceeds are used to purchase cryptocurrency, the cryptocurrency can be quickly resold for cash or another financial instrument to any other cryptocurrency buyer worldwide (see Figure 25).

What Is Cryptocurrency?

Cryptocurrencies are classified as “financial instruments” and are a form of digital payment recorded and settled on an open decentralized ledger that is verified by a network of independent computers instead of a central payment processor or settlement system, like those used by banks or other traditional financial institutions and money service businesses.

Figure 25: Countries Where a Sinaloa Cartel-Affiliated Money Laundering Network Executed Cryptocurrency Transactions

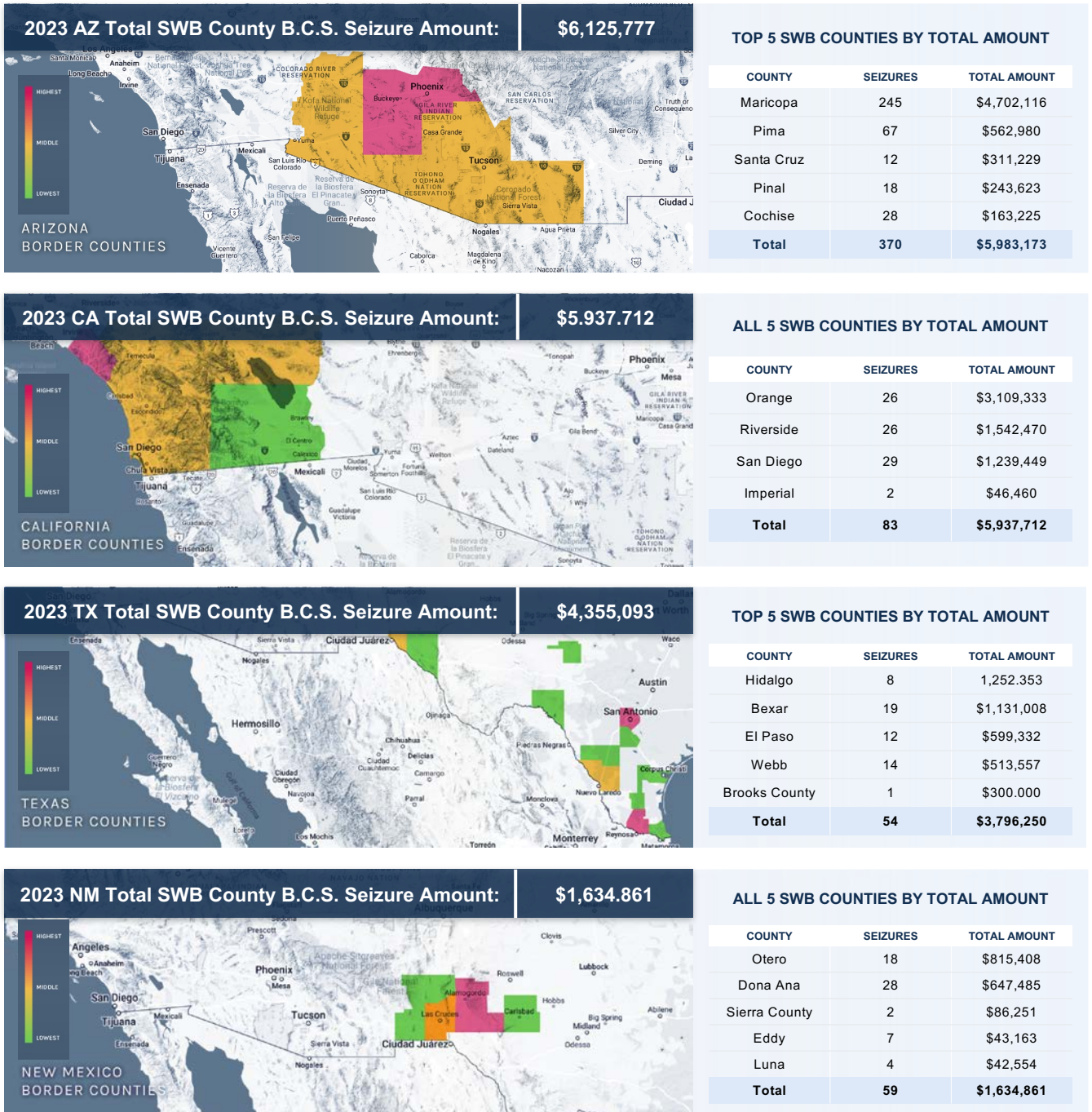


Source: DEA



ILLICIT FINANCE

Figure 26: Bulk Cash Seizures in Counties Within 150 Miles of the United States-Mexico Border, 2023



Source: El Paso Intelligence Center/National Seizure System



ILLICIT FINANCE

Bulk Cash Smuggling

Millions of dollars in cash drug proceeds generated by illicit retail drug sales are consolidated in key cities of the money launderer’s choosing, or to border crossings and airports where cartel-linked couriers physically smuggle the cash out of the United States. This is demonstrated by the large number of bulk cash seizures conducted by law enforcement at and near the Southwest Border.

In 2023, federal, state, local, and tribal law enforcement agencies in counties within 150 miles of the United States-Mexico border conducted nearly 600 bulk cash seizures valued at \$18 million, according to EPIC reporting. Most of these seizures occurred in Arizona, followed by California, Texas, and New Mexico. Figure 26 (above) provides the 2023 total bulk cash seizure amount for each state’s Southwest Border counties, followed by a heat map depicting each state’s counties by total dollar amount (see the color key). Additional information is provided in a table beside each map, listing each Southwest Border state’s top five counties by bulk cash amount seized.

Drug trafficking organizations like the Sinaloa and Jalisco cartels cannot make use of the profits from their illegal activities without money laundering. Law enforcement efforts to detect, prevent, and prosecute money laundering are complicated by varying or non-existent regulations in foreign financial institutions, the sheer volume of financial transactions that occur every day, the schemes and deception employed by Mexican cartels and other drug trafficking organizations to disguise the criminal origin of their profits, and their use of encrypted technologies. Illicit financial maneuvers, however, require the involvement of criminal associates – money launderers and brokers, couriers, account holders, and complicit business owners – who charge high commissions or require payment, and each of which represent a potential vulnerability. Mexican cartels will therefore continue to seek access to encrypted and anonymized technologies that would allow them to conduct transactions with less risk and lower costs.



Figure 27: 4.5 Million Dollars of Seized Cash
 Source: DEA



DEA RESPONSE



OVERVIEW

DEA has acted with urgency to set a new vision, target the global criminal networks most responsible for the influx of fentanyl into the United States, and raise public awareness about how just one pill can kill. As the single mission agency tasked with enforcing our nation's drug laws, DEA's top operational priority is to relentlessly pursue and defeat the two Mexican drug cartels—the Sinaloa Cartel and the Jalisco Cartel—that are primarily responsible for driving the current fentanyl poisoning epidemic in the United States.

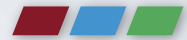
DEA is the lead law enforcement agency in the Administration's whole-of-government response to defeat the cartels and combat the drug poisoning epidemic in our communities. DEA's role in leading the law enforcement response to the fentanyl epidemic protects the safety of agents, officers, and sources. Importantly, a unified response to the fentanyl epidemic ensures that the whole of government is moving in one direction that protects the safety and health of Americans. DEA operates 30 field divisions with 241 domestic offices, 93 foreign offices in 69 countries, and nine forensic laboratories. DEA's robust domestic and international presence allows it to map and target Sinaloa Cartel and Jalisco Cartel operations across the globe. In addition, DEA has launched three cross-agency counterthreat teams to execute a network-focused operational strategy to defeat the Sinaloa and Jalisco cartels and their web of drug and illicit finance contacts. These teams are composed of Special Agents, Intelligence Analysts, Diversion Investigators, targeters, data scientists, and digital specialists doing the critical work of mapping, analyzing, and targeting the entirety of the cartels' criminal networks. This network-focused strategy is crucial to defeating the Sinaloa and Jalisco cartels.

OPERATION OVERDRIVE

DEA's Operation Overdrive puts resources into the U.S.'s most violence- and overdose-plagued cities to target the violent dealers who kill thousands of Americans every week with fentanyl and with weapons. More than half of the nearly 1,200 violent drug dealers arrested as part of the second phase of Operation Overdrive, from February through July 2023, were gang members. The Sinaloa and Jalisco cartels aid and abet the local dealers and gangs, flooding U.S. streets with fentanyl in tablets disguised as legitimate prescription drugs, fentanyl powder, drugs laced with fentanyl, fentanyl mixed with xylazine, and other drugs. For example, an Operation Overdrive case revealed that a U.S.-based Mexican drug trafficking organization linked to the Jalisco Cartel supplied fentanyl, methamphetamine, and cocaine to members of the Bloods gang operating in the Durham, North Carolina area. The second phase of Operation Overdrive resulted in 547 distinct seizures of fentanyl totaling more than 10 million deadly doses; nearly 40 percent of those seizures were of fentanyl mixed with xylazine.



DEA RESPONSE



OPERATION OD JUSTICE

DEA is committed to disrupting every part of the fentanyl supply chain, to include seeking judicial consequences for individuals who provide illicit fentanyl to vulnerable and unsuspecting Americans, resulting in death. DEA started Operation OD Justice to devote resources to fatal poisoning investigations and provide training to our federal, state, and local partners. DEA created Fentanyl Overdose Response Teams in 22 offices across the United States; the teams provide direct investigative support to fatal poisoning investigations. Every DEA division also has an Overdose Response Coordinator who serves as a point of contact for DEA’s federal, state, and local partners. DEA works jointly with these partners to identify the individuals responsible for supplying the fentanyl that killed its victims and pursue charges for fentanyl distribution resulting in death. Since 2023, DEA has worked over 350 poisoning investigations with state and local partners.

DEA has trained over 2,500 federal, state, and local investigators to conduct fatal poisoning investigations with the goal of treating these incidents not only as public health crises but as crimes to be solved. In March 2024, DEA hosted a Fentanyl Poisoning Investigations Seminar, attended by Task Force Officers, Special Agents, and the U.S. Department of Justice’s Narcotics and Dangerous Drugs Section. In 2023, DEA created an Overdose Response Standard Operating Procedure and an incident checklist to guide investigators through crime scene management and case development.

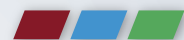
Fentanyl Poisoning Investigation in Washington, DC Leads to the Sinaloa Cartel

On April 6, 2021, Diamond Lynch died of fentanyl poisoning in Washington, DC. DEA and local law enforcement partners launched an immediate overdose investigation. As a result of this comprehensive case, DEA indicted two Washington, DC residents on charges of distributing fentanyl resulting in death, the first-ever fentanyl poisoning investigation prosecuted by the U.S. Attorney’s Office for the District of Columbia. Both defendants were found guilty and sentenced in February 2023. After the initial arrests, investigators built the case from a local-impact investigation into a multi-state and international investigation linked to Sinaloa Cartel traffickers in Los Angeles and Tijuana who supplied the fentanyl to the two Washington, DC distributors.





DEA RESPONSE



EXPANDING ACCESS TO TREATMENT

In this moment, when the United States is suffering tens of thousands of illicit opioid-related drug poisoning deaths every year, the DEA’s top priority is doing everything in our power to save lives. Medication for opioid use disorder (MOUD) helps the roughly 6.1 million individuals in the United States who are fighting to overcome an opioid use disorder (OUD) by sustaining recovery and preventing opioid poisonings and overdoses. With the passage of the Consolidated Appropriations Act of 2023¹⁵, there was an immediate and significant increase in the number of practitioners who can prescribe Schedule III MOUD products (e.g., buprenorphine combination medications containing buprenorphine and naloxone) for patients with OUD. DEA, along with our interagency partners and the healthcare community, seeks to make MOUD readily and safely available to anyone in the country who needs it. In addition, DEA and the Department of Health and Human Services (HHS) developed and implemented the Opioid Rapid Response Program (ORRP) to mitigate patient harm and maintain continuity of patient care when DEA takes enforcement action on a prescriber registered with DEA to prescribe MOUD. Since the program started in the Fall of 2021, DEA has made 161 referrals to the ORRP. Continuity of care for individuals in treatment for OUD is essential to saving lives.

ONE PILL CAN KILL

In 2021, DEA launched the “One Pill Can Kill” enforcement effort and public awareness campaign. Through this campaign, DEA and our law enforcement partners have seized millions of fentanyl pills and thousands of pounds of fentanyl powder, equating to millions of potentially lethal doses of fentanyl, which could have entered our communities. The One Pill Can Kill webpage (www.dea.gov/onepill) and partner toolbox raise awareness about the dangers of fentanyl and fake pills through shareable graphics, fact sheets, and other digital resources. Countless national, state, and local organizations have accepted DEA’s call to action and shared One Pill Can Kill materials in their communities.



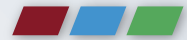
**#DEA #OnePillCanKill #1PillCanKill
#OPCK #Fentanyl #Meth
#FakePill #Fake**



¹⁵ Public Law 117 - 328 – 136 Stat. 4459 (2022)



DEA RESPONSE



COMMUNITY OUTREACH

DEA’s community outreach efforts educate students, professionals in higher education, local communities, families, youth-serving organizations, and other community-based stakeholders to raise awareness about the dangers of illegal drugs and the importance of preventing drug use. That work includes annual Family Summits on Fentanyl in DEA field divisions across the country (www.dea.gov/familysummit) and the Faces of Fentanyl exhibit at the DEA Museum in Arlington, Virginia (www.dea.gov/fentanylawareness).

DEA disseminates science-based, evidence-informed prevention materials to target audiences through several websites.



www.justthinktwice.com is aimed at teens and provides information on drug facts, statistics, and the consequences of substance use.



www.campusdrugprevention.gov is aimed at college educators and specialists who support prevention on college campuses, and provides a toolbox for use by drug prevention professionals, access to federal and national resources, podcasts, facts on drugs and paraphernalia, and a student help center.



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www.operationprevention.com provides no-cost digital tools for students in grades 3-12, in **English and Spanish**, to raise awareness about the dangers of substance misuse. Operation Prevention also features a culture-based prevention resource titled “The Good Medicine Bundle” developed for Native and Non-Native students.



www.operationengage.com is a comprehensive community-based initiative, bridging public health and public safety across 11 DEA field divisions. This approach raises awareness about the dangers of illicit substances, increases community visibility on the top local drug threats, and builds localized drug prevention capacity by implementing strategies for community-level change.